

Idaho Economic Forecast

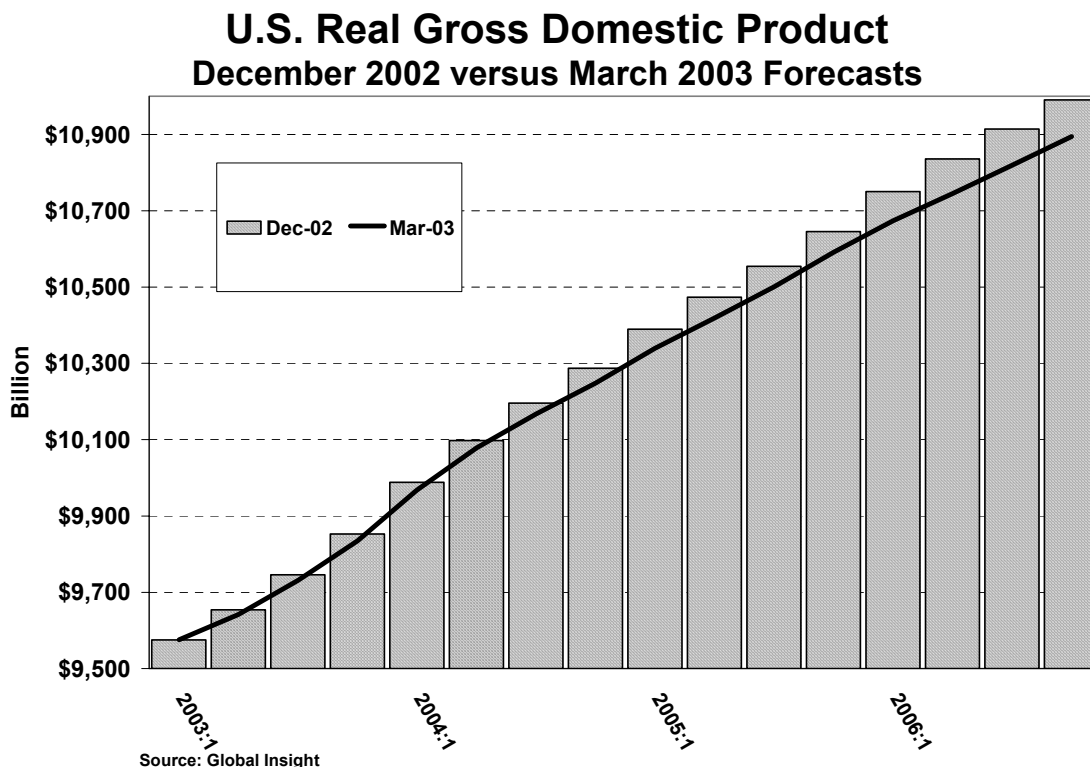
DIRK KEMPTHORNE, Governor

Division of Financial Management

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- Forecast 2002-2006
- House Price Bubbles
- Alternative Forecasts



**IDAHO
ECONOMIC
FORECAST
2002 - 2006**

State of Idaho
DIRK KEMPTHORNE
Governor

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PREFACE

Idaho's economy continues to grow and evolve as it enters the 21st Century. The 1980s was a decade of stop-and-start economic performance. However, it also ushered in one of the longest expansions in the state's history. Since 1987, nonfarm employment has expanded in every year and consistently placed Idaho among the top ten fastest growing states in the nation. The 1990s saw a flood of new residents move into the state, causing the population to expand by an astounding 29% from 1990 to 2000. Over this period Idaho personal income nearly doubled. Much of the current expansion results from ongoing structural changes in Idaho's economy.

One of the biggest changes is the rise of the state's high-technology sector. Virtually nonexistent in the 1970s, this sector achieved critical mass in the 1990s to become the state's largest manufacturing employer. The growth of industry giants, such as Micron Technology and Hewlett-Packard, as well as the emergence and expansion of smaller companies, pushed payrolls above even the most optimistic forecasts made in the 1980s. The state's trade sector has also been going through a transformation. The last decade witnessed an influx of national "big box" merchandisers. During this same time, Idaho merchants successfully reached beyond the state's borders. Several regional shopping centers were established that serve locals, as well as attract shoppers from other states and Canada. Visitors fueled the surge in tourism that also benefited trade. Like its national counterpart, the service sector accounts for most of the nonfarm jobs in Idaho. Tourism has also been a boon to the service industry. While traditional factors, such as increasing discretionary income, continue to fuel the demand for services, other influences have emerged. For example, the use of temporary employees in manufacturing has bolstered business services employment. Idaho's outstanding work force has been a major factor in attracting call centers, back office operations, and credit companies.

While many changes are taking place today, traditional resource industries still play a major role in Idaho's economy. Indeed, the state's mining, agriculture, and timber sectors all experienced lulls in the late 1990s. While displaying more resilience to downturns than in the past, these industries are not totally immune from business-cycle effects. This continuing dependence on natural resources will bring a host of challenges to Idaho. These challenges include competition among agriculture, fisheries, and expanding population, for water and energy; the environmental impacts of the economically important mining, timber, agricultural, and tourism industries; and the many other pressures of an expanding population on the state's natural and fiscal resources.

Other factors that are external to the state's economy will present challenges this decade to public and private decision makers. Public policy decisions made in Washington, D.C. affect resource industry and federal installations such as the Idaho National Engineering and Environmental Laboratory and the Mountain Home Air Force Base. Finding balanced and acceptable solutions to endangered and threatened species issues and timber supply issues are of major economic significance.

In order to deal effectively with these challenges, public and private decisions need to be made with a thorough understanding of the structure of the state's economy. It is to this end that the *Idaho Economic Forecast* is directed.

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INTRODUCTION

The national forecast presented in this publication is the March 2003 Global Insight baseline forecast of the U.S. economy. The previous *Idaho Economic Forecast* is based on the December 2002 Global Insight baseline national forecast.

The cover graph compares the December 2002 and March 2003 forecasts of real GDP. In December, real GDP was forecast to grow 2.9% this year, 4.5% next year, 3.7% in 2005, and 3.4% in 2006. After reviewing actual data available since then, economists have produced a new forecast. Specifically, real GDP rises 2.7% in 2003, 4.3% in 2004, 3.4% in 2005, and 3.1% in 2006. As a result, the gap between the previously and currently projected real GDP widens over the forecast period. Real GDP in 2006 is 0.8% lower than had been previously forecasted. This gap would have been even wider were it not for the lower projected inflation in the most recent forecast.

FEATURE

The feature article is entitled “House Price Bubbles.” The possibility of a “bubble” in house prices has received considerable attention lately. A key concern about a house price bubble is that gains in housing wealth—either unrealized gains or gains extracted through home sales or refinancing—may be partly responsible for the relative strength of consumer spending. In this article, two methods are introduced to determine whether a housing price bubble exists and its magnitude. This article was written by John Krainer. He is an Economist with the Federal Reserve Bank of San Francisco.

THE FORECAST

Alternative assumptions concerning future movements of key economic variables can lead to major variations in national and/or regional outlooks. Global Insight examines the effects of different economic scenarios, including the potential impacts of international recessions, higher inflation, and future Federal Reserve Board decisions. Alternative Idaho economic forecasts were developed under different policy and growth scenarios at the national level. These forecasts are included in this report.

Historical and forecast data for Idaho and the U.S. are presented in the tables in the middle section of this report. Detail is provided for every year from 1987 to 2006 and for every quarter from 2000 through 2005. The solution of the Idaho Economic Model (IEM) for this forecast begins with the fourth quarter of 2002.

Descriptions of the Global Insight U.S. Macroeconomic Model and the IEM are provided in the Appendix. Equations of the IEM and variable definitions are listed in the last pages of this publication.

CHANGES

The employment numbers that appear in this publication are based on monthly data collected by the Idaho Department of Labor. The historical data run through the end of 2002. All of these data have been seasonally adjusted and converted into quarterly estimates by the Division of Financial Management (DFM). These current data show that DFM’s previous forecasts of Idaho nonfarm employment in both the third and fourth quarters of 2002 were too optimistic. Specifically, actual nonfarm employment in the third quarter of 2002 was 4,625 (0.8%) lower than DFM had published in January 2003 and the fourth quarter of 2003 was 4,825 (0.9%) lower.

The tables in this forecast include the U.S. Department of Commerce's Bureau of Economic Analysis (BEA) estimates of Idaho quarterly personal income through the third quarter of 2002. In addition to the 2002 third quarter income estimates, the historical Idaho quarterly income estimates for the first two quarters of 2002 were revised. The BEA released its latest Idaho personal income estimates in late April 2003.

The Federal Reserve Board released its revised estimates of industrial production in December 2002. Since several of these indices are used in the IEM, all the equations in the IEM were re-estimated with the revised data. These equations can be found in the Appendix to this *Forecast*.

The *Idaho Economic Forecast* is available on the Internet at http://www.state.id.us/dfm/econ_pub.html. Readers with any questions should contact Derek Santos at (208) 334-3900 or at dsantos@dfm.state.id.us.

SUBSCRIPTIONS

You can access the *Idaho Economic Forecast* for free at http://www.state.id.us/dfm/econ_pub.html.

Printed copies of the *Idaho Economic Forecast* may be requested by contacting:

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EXECUTIVE SUMMARY

The state's economy was described as a train in the January 2003 *Idaho Economic Forecast*. This analogy also applies in comparing the current forecast to the previous one. Specifically, Idaho's economy is expected to leave the station for the recovery tracks later than in the previous forecast, and it will travel slower once it gets there. Idaho nonfarm employment growth is lower than in the previous forecast, resulting in lower levels of employment in each year. In the current forecast Idaho nonfarm employment fell an estimated 0.7% in 2002, compared to the previous forecast of a 0.3% decline. Idaho employment is projected to rise 0.1% in 2003, 1.5% in 2004, 1.7% in 2005, and 2.0% in 2006. In the previous forecast this measure was anticipated to grow 0.9% in 2003, 1.9% in 2004, 2.4% in 2005, and 3.3% in 2006. As a result of this faster growth, Idaho nonfarm employment was anticipated to reach 615,397 in 2006. This is significantly higher than the current estimate of 594,621 for 2006. The Gem State's goods-producing employment sector is hardest hit in this forecast. In the previous forecast the number of jobs in this sector was expected to shrink slightly in 2002 then enjoy moderate growth thereafter. In the current forecast, Idaho goods-producing employment retreats sharply in 2003 (3.6% versus 1.1%). Idaho's services-producing sector is projected to fare better than the goods-producing sector, but not as well as was previously believed. Services-producing employment is forecast to increase 1.0% this year and about 2.1% annually in the remaining years of the forecast. This is slower than the original forecast where service sector job growth accelerated from 1.3% in 2002, to 1.9% in 2004, to 2.4% in 2005, and to 3.3% in 2006. In 2006, services-producing employment is estimated to be about 9,400 (1.9%) lower than the former projection. Idaho nominal personal income is lower in the current forecast in 2003 and this gap widens over time. By 2006, it is about \$800 million (2.0%) lower than previously projected. The gap between real Idaho personal income is not as wide because the outlook for inflation is lower in the current forecast.

The nation's economic recovery trajectory also has been lowered compared to the previous forecast. In the earlier *Forecast*, it was believed real GDP would return to near its potential of around 4.2% in the second half of this year. In the current forecast it averages about 4.0%. Real GDP is forecast to rise 2.7% in 2003, 4.3% in 2004, 3.4% in 2005, and 3.1% in 2006. Unfortunately, the nation's unemployment rate should stay stubbornly high during 2003. Specifically, it is expected to peak at 6.1% in the second quarter of this year and fall slightly to 5.8% by year's end. As a result of the stronger job market next year, the unemployment rate is anticipated to be 5.2% by the end of 2004. After 2004, U.S. nonfarm employment growth is forecast to dip below 2.0%, but it will be strong enough to pull the unemployment rate toward 5.0%. The current forecast assumes the Federal Reserve will continue its "wait-and-see" policy until it is convinced of the economy's strength. The nation's central bank has passed on several recent opportunities to raise its federal funds rate from 1.25%. Eventually, the Federal Reserve will raise this bellwether rate. Specifically, this forecast assumes the Federal Reserve will gradually increase the federal funds rate in the second half of this year, and it will near 2.0% by year's end. This forecast also assumes the President and Congress will craft a set of tax cuts designed to revive the moribund economy. This forecast assumes the final budget will include a tax package worth \$60 billion in its first year and cost about \$350 billion overall. Near term, the cuts should boost consumer spending, but not investment spending. Given the federal governments' budget predicament, the odds are low it will be able to bail out state governments that are facing their worse budget woes in a generation. One recent estimate shows states are looking at a collective \$30 billion shortfall for this fiscal year and an \$82 billion deficit in fiscal year 2004.

IDAHO ECONOMIC FORECAST

EXECUTIVE SUMMARY

APRIL 2003

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
GDP (BILLIONS)										
Current \$	8,318	8,782	9,274	9,825	10,082	10,446	10,907	11,590	12,226	12,868
% Ch	6.5%	5.6%	5.6%	5.9%	2.6%	3.6%	4.4%	6.3%	5.5%	5.2%
1996 Chain-Weighted	8,159	8,509	8,859	9,191	9,215	9,440	9,696	10,116	10,463	10,783
% Ch	4.4%	4.3%	4.1%	3.8%	0.3%	2.4%	2.7%	4.3%	3.4%	3.1%
PERSONAL INCOME - CURR \$										
Idaho (Millions)	25,227	27,066	28,931	31,314	32,525	33,646	35,080	36,956	38,840	41,159
% Ch	4.4%	7.3%	6.9%	8.2%	3.9%	3.4%	4.3%	5.3%	5.1%	6.0%
Idaho Nonfarm (Millions)	24,557	26,149	27,901	30,519	31,562	32,657	33,943	35,696	37,609	39,838
% Ch	5.4%	6.5%	6.7%	9.4%	3.4%	3.5%	3.9%	5.2%	5.4%	5.9%
U.S. (Billions)	6,937	7,426	7,786	8,407	8,685	8,947	9,311	9,812	10,337	10,908
% Ch	6.0%	7.0%	4.9%	8.0%	3.3%	3.0%	4.1%	5.4%	5.4%	5.5%
PERSONAL INCOME - 1996 \$										
Idaho (Millions)	24,745	26,268	27,622	29,158	29,686	30,298	30,979	32,142	33,116	34,335
% Ch	2.4%	6.2%	5.2%	5.6%	1.8%	2.1%	2.2%	3.8%	3.0%	3.7%
Idaho Nonfarm (Millions)	24,088	25,379	26,639	28,418	28,807	29,407	29,975	31,047	32,066	33,234
% Ch	3.4%	5.4%	5.0%	6.7%	1.4%	2.1%	1.9%	3.6%	3.3%	3.6%
U.S. (Billions)	6,805	7,208	7,435	7,828	7,927	8,057	8,222	8,534	8,814	9,100
% Ch	3.9%	5.9%	3.2%	5.3%	1.3%	1.6%	2.1%	3.8%	3.3%	3.2%
HOUSING STARTS										
Idaho	8,865	10,114	10,350	11,535	12,258	13,225	12,971	11,848	11,161	10,690
% Ch	-3.9%	14.1%	2.3%	11.5%	6.3%	7.9%	-1.9%	-8.7%	-5.8%	-4.2%
U.S. (Millions)	1.475	1.621	1.647	1.573	1.603	1.711	1.672	1.567	1.562	1.580
% Ch	0.4%	9.9%	1.6%	-4.5%	1.9%	6.8%	-2.3%	-6.3%	-0.3%	1.1%
TOTAL NONFARM EMPLOYMENT										
Idaho (Thousands)	508.7	521.5	539.1	559.3	568.3	564.1	564.7	573.4	583.2	594.6
% Ch	3.3%	2.5%	3.4%	3.7%	1.6%	-0.7%	0.1%	1.5%	1.7%	2.0%
U.S. (Millions)	122.7	125.9	128.9	131.7	131.9	130.8	131.1	133.5	136.0	137.7
% Ch	2.6%	2.6%	2.4%	2.2%	0.2%	-0.9%	0.2%	1.9%	1.8%	1.3%
SELECTED INTEREST RATES										
Federal Funds	5.5%	5.4%	5.0%	6.2%	3.9%	1.7%	1.5%	3.1%	4.2%	4.9%
Bank Prime	8.4%	8.4%	8.0%	9.2%	6.9%	4.7%	4.5%	6.1%	7.2%	7.9%
Existing Home Mortgage	7.7%	7.1%	7.3%	8.0%	7.0%	6.5%	6.1%	7.0%	7.7%	7.9%
INFLATION										
GDP Price Deflator	1.9%	1.2%	1.4%	2.1%	2.4%	1.1%	1.7%	1.9%	2.0%	2.1%
Personal Cons Deflator	1.9%	1.1%	1.6%	2.5%	2.0%	1.4%	2.0%	1.5%	2.0%	2.2%
Consumer Price Index	2.3%	1.5%	2.2%	3.4%	2.8%	1.6%	2.3%	1.6%	2.1%	2.3%

National Variables Forecast by GLOBAL INSIGHT

Forecast Begins the FOURTH Quarter of 2002

IDAHO ECONOMIC FORECAST

EXECUTIVE SUMMARY

APRIL 2003

	2003				2004				2005			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GDP (BILLIONS)												
Current \$	10,689	10,817	10,983	11,140	11,344	11,517	11,674	11,825	11,995	12,146	12,300	12,465
% Ch	3.9%	4.9%	6.3%	5.8%	7.5%	6.2%	5.6%	5.3%	5.9%	5.1%	5.2%	5.5%
1996 Chain-Weighted	9,576	9,642	9,732	9,835	9,968	10,078	10,167	10,248	10,340	10,419	10,501	10,591
% Ch	2.4%	2.8%	3.8%	4.3%	5.5%	4.5%	3.6%	3.2%	3.6%	3.1%	3.2%	3.5%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	34,575	34,947	35,189	35,609	36,129	36,707	37,300	37,688	38,119	38,632	39,097	39,514
% Ch	6.2%	4.4%	2.8%	4.9%	6.0%	6.5%	6.6%	4.2%	4.7%	5.5%	4.9%	4.3%
Idaho Nonfarm (Millions)	33,349	33,699	34,142	34,582	35,046	35,475	35,904	36,360	36,861	37,353	37,842	38,380
% Ch	3.5%	4.3%	5.4%	5.3%	5.5%	5.0%	4.9%	5.2%	5.6%	5.4%	5.3%	5.8%
U.S. (Billions)	9,155	9,251	9,360	9,476	9,615	9,746	9,882	10,006	10,140	10,272	10,399	10,538
% Ch	3.5%	4.2%	4.8%	5.1%	6.0%	5.6%	5.7%	5.1%	5.5%	5.3%	5.0%	5.4%
PERSONAL INCOME - 1996 \$												
Idaho (Millions)	30,729	30,881	31,011	31,294	31,629	32,022	32,380	32,537	32,746	33,027	33,254	33,438
% Ch	3.6%	2.0%	1.7%	3.7%	4.4%	5.1%	4.5%	1.9%	2.6%	3.5%	2.8%	2.2%
Idaho Nonfarm (Millions)	29,641	29,779	30,088	30,392	30,681	30,947	31,168	31,390	31,666	31,933	32,187	32,479
% Ch	1.0%	1.9%	4.2%	4.1%	3.9%	3.5%	2.9%	2.9%	3.6%	3.4%	3.2%	3.7%
U.S. (Billions)	8,137	8,175	8,248	8,328	8,417	8,502	8,579	8,638	8,711	8,782	8,845	8,918
% Ch	0.9%	1.9%	3.7%	3.9%	4.4%	4.1%	3.6%	2.8%	3.4%	3.3%	2.9%	3.3%
HOUSING STARTS												
Idaho	13,599	13,112	12,745	12,427	12,085	11,975	11,781	11,549	11,375	11,194	11,086	10,991
% Ch	-53.6%	-13.6%	-10.7%	-9.6%	-10.6%	-3.6%	-6.3%	-7.7%	-5.9%	-6.2%	-3.8%	-3.4%
U.S. (Millions)	1,774	1,687	1,633	1,594	1,571	1,574	1,562	1,561	1,560	1,559	1,561	1,570
% Ch	4.1%	-18.2%	-12.1%	-9.3%	-5.6%	0.8%	-3.0%	-0.3%	-0.2%	-0.4%	0.5%	2.5%
TOTAL NONFARM EMPLOYMENT												
Idaho (Thousands)	562.6	563.0	565.2	567.9	570.4	572.7	574.4	576.2	579.2	582.1	584.7	587.1
% Ch	0.0%	0.3%	1.6%	1.9%	1.8%	1.6%	1.2%	1.3%	2.1%	2.0%	1.8%	1.7%
U.S. (Millions)	130.7	130.8	131.0	131.7	132.5	133.1	133.9	134.6	135.2	135.7	136.3	136.7
% Ch	-0.3%	0.3%	0.7%	2.0%	2.4%	2.1%	2.3%	2.1%	1.8%	1.7%	1.5%	1.4%
SELECTED INTEREST RATES												
Federal Funds	1.3%	1.3%	1.3%	2.0%	2.5%	2.9%	3.4%	3.6%	3.9%	4.0%	4.3%	4.5%
Bank Prime	4.3%	4.3%	4.3%	5.0%	5.5%	5.9%	6.4%	6.6%	6.9%	7.0%	7.3%	7.5%
Existing Home Mortgage	6.1%	6.2%	6.1%	6.1%	6.6%	6.8%	7.1%	7.5%	7.6%	7.7%	7.8%	7.8%
INFLATION												
GDP Price Deflator	1.5%	2.0%	2.4%	1.5%	1.9%	1.7%	1.9%	2.0%	2.2%	2.0%	2.0%	1.9%
Personal Cons Deflator	2.5%	2.3%	1.1%	1.1%	1.6%	1.4%	2.0%	2.2%	2.0%	2.0%	2.1%	2.1%
Consumer Price Index	2.9%	2.6%	1.4%	1.3%	1.6%	1.5%	2.0%	2.2%	2.1%	2.0%	2.2%	2.1%

National Variables Forecast by GLOBAL INSIGHT

Forecast Begins the FOURTH Quarter of 2002

NATIONAL FORECAST DESCRIPTION

The Forecast Period is the Fourth Quarter of 2002 through the Fourth Quarter of 2006

The nation's economic recovery trajectory has been lowered compared to the previous forecast. Global Insight continues to anticipate a noticeable jump in economic activity beginning in the second half of this year after several quarters of disappointing growth, but this jump should be smaller than was previously forecasted. In the earlier *Forecast*, it was believed real GDP would return to near its potential of around 4.2% in the second half of this year. In the current forecast it averages about 4.0%. Real GDP is forecast to rise 2.7% in 2003, 4.3% in 2004, 3.4% in 2005, and 3.1% in 2006.

Unfortunately, the nation's unemployment rate should stay stubbornly high during 2003. Specifically, it is expected to peak at 6.1% in the second quarter of this year and fall slightly to 5.8% by year's end. This reflects the sluggish job market. Nonfarm employment is expected to shrink 0.3% in the first quarter of 2003, rise 0.3% the next quarter, and increase 0.7% in the third quarter. It should jump 2.0% in the fourth quarter of 2003 and enjoy growth of over 2.0% in each quarter of 2004. As a result of the stronger job market next year, the unemployment rate is anticipated to be 5.2% by the end of 2004. After 2004, U.S. nonfarm employment growth is forecast to dip below 2.0%, but it will be strong enough to pull the unemployment rate toward 5.0%.

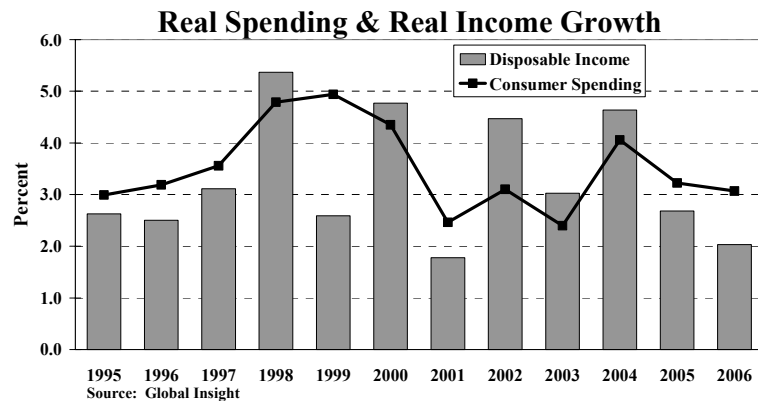
Another area of worry has been business investment. After a stunning expansion in the late 1990s and most of 2000, real U.S. nonresidential fixed investment began retreating in the fourth quarter of 2000. A leading contributor to this retrenchment has been the collapse in real investment on equipment. Specifically, in the second quarter of 2000 real business investment on equipment was rising at a 10.9% annual rate. It stalled in the next quarter and had been shrinking until the second quarter of 2002. Thus, investment has been seen as a missing element of the recovery. However, recent growth has been the cause of limited optimism. Real business equipment investment should advance, but slower than previously believed. Real investment in equipment was expected to grow at an 8.4% annual average from 2002 through 2006 in the last forecast (January 2003). This has been scaled back to an 8.0% average annual rate in the current forecast.

The current forecast assumes the Federal Reserve will continue its "wait-and-see" policy until it is convinced of the economy's strength. The nation's central bank has passed on several recent opportunities to raise its federal funds rate from 1.25%. Eventually, the Federal Reserve will raise this bellwether rate. Specifically, this forecast assumes the Federal Reserve will gradually increase the federal funds rate in the second half of this year, and it will near 2.0% by year's end.

This forecast also assumes the President and Congress will craft a set of tax cuts designed to revive the moribund economy. This forecast assumes the final budget will include a tax package worth \$60 billion in its first year and cost about \$350 billion overall. Near term, the cuts should boost consumer spending, but not investment spending. Given the federal governments' budget predicament, the odds are low it will be able to bail out state governments that are facing their worse budget woes in a generation. One recent estimate shows states are looking at a collective \$30 billion shortfall for this fiscal year and an \$82 billion deficit in fiscal year 2004.

SELECTED NATIONAL ECONOMIC INDICATORS

Consumer Spending: The nation's prosperity over the next few years largely depends on whether consumers grow weary of single-handedly supporting the economy. The consumers' role in propping up the economy during and after the recession cannot be overstated. As other sectors collapsed, real consumers spending remained afloat despite ebbing consumer confidence. Under normal conditions, consumer spending

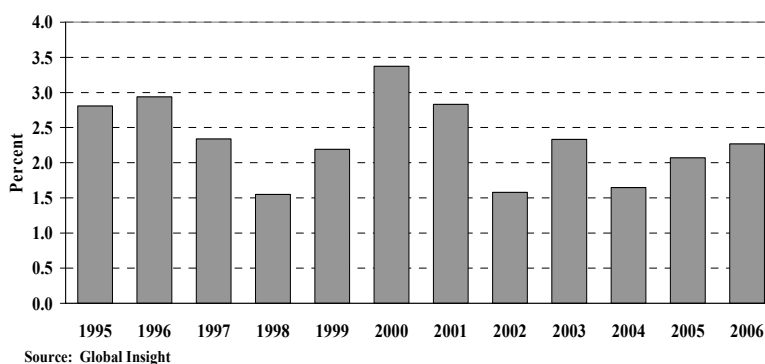


would be expected to mirror the changes in confidence more closely. However, the connection between the two blurred. From the end of 1998 to the beginning of 2000, real consumer spending expanded by at least 4.5% per quarter. The effects of falling consumer confidence were offset by the strong job market, low inflation, strong income gains, and the surging stock market. Spending growth did slow as the economy cooled and households' financial well being fell with the stock market. However, spending did not retreat during the recession. Several additional reasons have been offered to explain this resilient spending during the recession and recovery. First, the low interest rate environment has bolstered sales for durable goods. Second, automakers offered attractive financing options that consumers found hard to resist. Third, household wealth retreated from record levels, it was still relatively high. Fourth, although consumers' stock portfolios shrank, the value of one of their most valuable assets, their homes, actually improved. The increased equity and favorable interest rates allowed many consumers to take out home equity loans that would be used to finance spending. These factors provided the momentum for consumer spending to keep the economy afloat, but they cannot be expected to keep it above water indefinitely. A major threat to consumer spending was the war with Iraq. Its impacts were already surfacing earlier this year. For example, the University of Michigan's Consumer Sentiment index plunged to its lowest level since September 1993 in March 2003. In that same month, the Conference Board's confidence index slumped to its lowest point since October 1993. Two things are required to help confidence recover: A quick victory in Iraq and stronger job growth. While the former has been achieved, the latter remains elusive. Long after real GDP started its recovery, unemployment remains high. It is expected to remain near its 6.0% apex during the first three quarters of this year, and then gradually fall as companies expand their payrolls. This should provide consumers with the growing confidence they need to once again open their wallets and empty their piggy banks.

Inflation: Inflation is anticipated to remain tame over the forecast period. The economy did have a scare recently when fears of supply disruptions caused oil price to surge to nearly \$40 per barrel. The temporary jump in oil prices will contribute to the 2.3% inflation rate for this year. Since then the price of oil has retreated to \$28 per barrel. This roughly \$10 per barrel difference is the estimated war premium for oil. Inflation should retreat in 2004. There are two primary reasons for this prognosis. First, with the war over, there are no obvious threats to rising energy prices. Oil prices are expected to drop below \$25 per barrel later this year and spot natural gas prices should back down to around \$4 per million per Btu. Second, inflation should also be kept in check by slow employee compensation growth caused by sluggish employment growth. Workers are forecast to receive small increases over the next

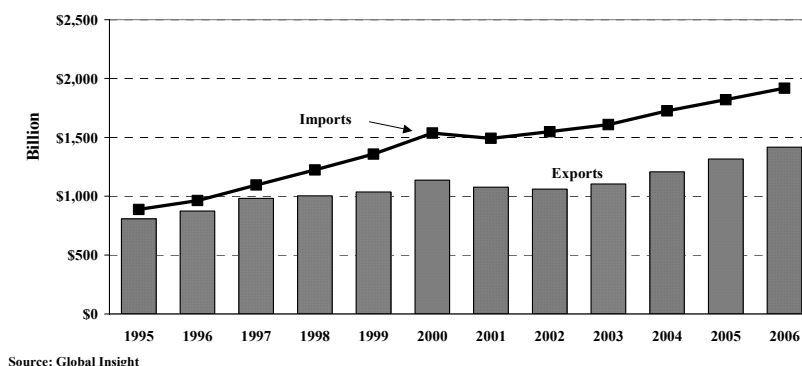
two years. As measured by the employment cost index, the annual gain in wages is projected to be 2.2% this year, the smallest gain in the quarter century this data has been recorded. Wage gains should accelerate as the job market picks up, but is not expected to grow unbridled over the forecast period. This will help keep the core (all items less food and energy) inflation rate close to 2.0% through 2006. The inflation rate for all consumer prices is forecast to be 2.3% this year, 1.6% next year, 2.1% in 205, and 2.3% in 2006.

Consumer Price Inflation



International: The global economy's unsteady recovery has run into another "slow patch" recently. Nevertheless, the outlook should improve as the war with Iraq winds down. In addition, the world economy will get another boost when the much-anticipated U.S. business investment recovery commences later this year. One of the regions in serious need of lifting is Western Europe. European policymakers seemed to have painted themselves into a corner that prevents any bold action. While it is true the European Central Bank (ECB) has loosened recently, these moves have proven to be too little, too late to provide a boost. Furthermore, the ECB's seeming lack of concern about the suffocating impact of its policy on Germany's fragile economy is beginning to raise doubts about the viability of the European Monetary Union. Europe will also have to face and solve other challenges in the near future. The major European imbalances are potential housing bubbles, a debt-laden regional telecommunications sector, and problematic balance sheets caused by the meltdown of the region's equity market. In the longer run, Europe will have to deal with structural reforms. Due to slow market reforms, compared to the U.S., its welfare costs are more burdensome, its labor supply is less mobile, its demographics are less favorable, and its immigrants are less skilled and poorly integrated into their society. Looking further east, the picture is brighter. Growth in most Asian economies has stayed strong, thanks mainly to exports. Private consumption has also helped boost growth. Business investment has continued to contract, but at a much more moderate pace. There are also encouraging signs deflation is easing. In fact, Singapore, Taiwan, and China all registered positive consumer price inflation. Unfortunately, Japan has yet to emerge from its chronic deflation. This situation is critical because Japan is Asia's largest economy and primary growth engine. Expectations have risen for this country with the new Bank of Japan governor Toshihiko Fukui. Governor Fukui is a strong proponent of structural reform, but it remains to be seen whether he will be able to change the entrenched business culture. Japan's economy is expected to grow the slowest among the industrialized nations. However, the rest of Asia is forecast to enjoy the strongest economic growth of all regions over the next few years. South America should grow slower than Asia, but faster than the U.S. Canada is anticipated to grow about as fast as the U.S. Europe and Japan are expected to post the weakest growth over the next few years.

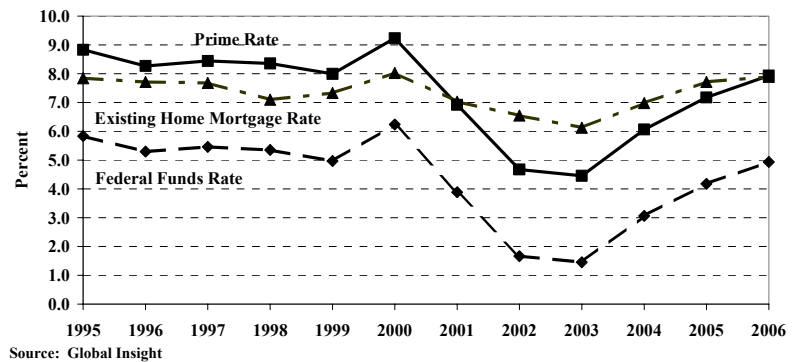
U.S. Imports and Exports



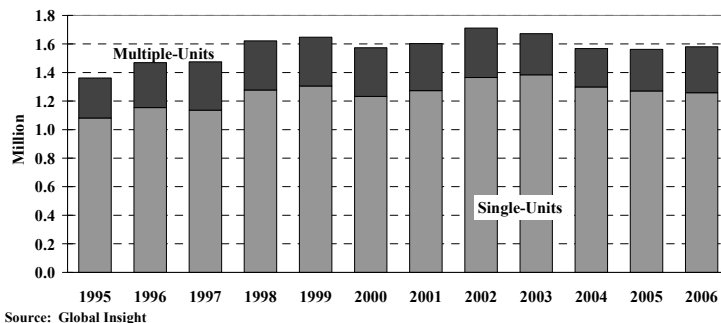
Financial: The Federal Reserve Bank of the United States has a major influence over the direction of the economy. However, it has little influence over geopolitical events. In response, the nation's central bank has taken a wait-and-see policy. The Federal Reserve has resisted lowering the rate of the federal funds rate below its current 1.25%. There are a couple of reasons for this. First, with the federal funds rate already so low,

the central bank is running out of leverage to use its most powerful policy tool. It is reserving it in case the economy deteriorates further. Second, the war with Iraq has clouded the economic picture and makes it difficult to interpret the data the Federal Reserve uses to determine its policy. It will wait until it has a clearer picture before moving interest rates. The question still remains: What will be the Federal Reserve's next move? Financial markets are betting the nation's central bank will lower rates further. They are already pricing in another 25-basis point cut by May 2003. Of course, that is just one school of thought. An argument can be made that the Federal Reserve next move will be to raise interest rates once it is convinced the economy is back on solid ground. This argument is based on the fact that Chairman has repeatedly said he believed the economy would improve after the war with Iraq. This forecast assumes the Federal Reserve will gradually increase the federal funds rate in the second half of this year, and it will near 2.0% by year's end. In contrast to the U.S. Federal Reserve, the European Central Bank has belatedly begun loosening. It finally bowed to pressure and reduced its key interest rate 25 basis points to 2.5% in early March. Further cuts are anticipated in the second quarter to offset the tightening effect of the strengthening euro. Fiscal policies are also loosening a bit. However, they will not solve longer-term problems. The structural reforms needed to make these economies more flexible and thus more attractive to businesses are still absent and will be politically difficult to achieve.

Selected Interest Rates



U.S. Housing Starts

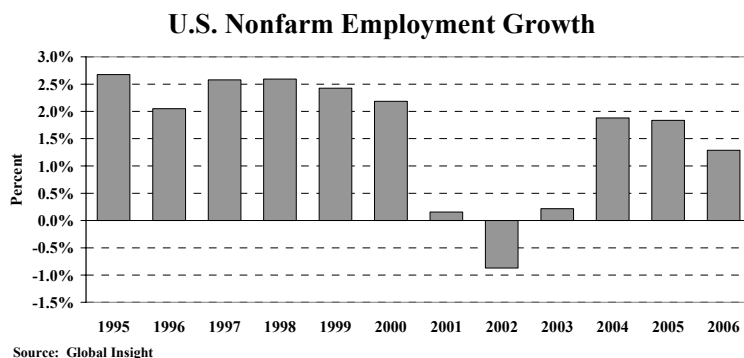


Housing: The housing industry showed signs of weakness during the first quarter of this year. Housing starts dropped 11% in February alone. Because of the severe weather during that month, however, it is hard to determine how much of it was weather related and how much of it was due to the business cycle. Conditions—as measured by confidence and walk-through traffic—took a turn for the worst in March 2003. The National Association of Home Builders' survey of housing

market conditions fell in January and February from a very high reading in December then tumbled in March to a level last seen during the 2001 recession. The same survey also indicated that the proportion of builders rating conditions as poor rose from 17% in December 2002 to 38% in March 2003. Weather may have been a factor in February, but probably not in March. A look at a couple of factors reinforces the belief the slowdown in housing that had already begun. With long-term interest rates headed back up, mortgage interest rates will soon be on the rise. Therefore, the backlog of privately owned, single-family housing units that have been authorized but not yet started will not yield a surge in starts but rather a drop in permits. As a result, a repeat of 2002's strong showing of 1.71 million housing starts is not anticipated. Specifically, the forecast shows 1.67 million starts in 2003, 1.57 million starts in 2004, 1.56 million starts in 2005, and 1.58 million starts in 2006. The softening housing market will cause

housing prices to grow much slower than in 2002. In that year, the average selling price for an existing home jumped 8.8% and the average price of new homes surged 7.3%. Over the forecast period the average price for existing housing is forecast to grow by no more than 4.0% annually and new home prices should grow slightly slower.

Government: Early this year President Bush submitted his budget for fiscal year 2004. A major feature of this bill was several generous tax cuts that caught all but the most privileged budget watchers by surprise. One of the main criticisms of the spending plan was the expected price tag of the tax cuts that would cause federal budget deficits. Now that the dust has settled from the initial fallout from the president's proposal, Congress is taking a shot at crafting a federal budget. It is not believed the Congress will have the discipline to produce a balanced budget, either. This forecast assumes the final budget will include a tax package worth \$60 billion in its first year and cost about \$350 billion overall. Near term, the cuts should boost consumer spending, but not investment spending. In the longer term, the widening budget gap will put pressure on interest rates, inflation, and the dollar. Under these conditions, the unified federal deficit is anticipated to be \$380.5 billion in fiscal year 2003, \$393.5 billion in fiscal year 2004, \$329.3 billion in fiscal year 2005, and \$227.1 billion in fiscal year 2006. Given the federal governments' budget predicament, the odds are low it will be able to bail out state governments that are facing their worst budget woes in a generation. One estimate shows states are looking at a collective \$30 billion shortfall for this fiscal year and an \$82 billion deficit in fiscal year 2004.



Employment: A healthy labor market remains an elusive piece of the current recovery. Well over a year after real output started growing, employment remains in the doldrums. Historically, employment is one of the last sectors to improve. However, knowing this does not make it less painful. In less than a year, the U.S. unemployment rate went from well below its full-employment threshold to above it, and it has remained above it since late 2001. The U.S.

Department of Labor reported that in April 2003 the U.S. civilian unemployment rate was at 6.0%, marking the start of the second year the economy has been underemployed. The unemployment rate should near its full-employment threshold in late 2004, and it should remain near full employment through the remainder of the forecast period. While it is hard to find anything positive about the employment situation during this recovery, it is milder than during the last recession. The main reason for this is employment was already weak before the 1990-91 recession, whereas it was strong during the 2001 recession. Specifically, the civilian unemployment rate was 5.7% in the first quarter of the previous recession. At the start of the 2001 recession this same measure was 4.2%. In the last slowdown, the unemployment rate peaked at 7.6% during the third quarter of 1992 and remained above the full-employment level for around four more years. In contrast, the unemployment rate is expected to peak at about 6.0% after the 2001 recession and be back within striking distance of full employment in less than two years. The war with Iraq has had an impact on the labor market. The U.S. Department of Defense reported about 210,000 reservists had been called into duty as of March 2003. However, this is not directly transferable to the employment numbers for several reasons. Persons listed on military duty are not included on employer payrolls. Some reservist would not have been counted by nature of their employment; e.g., the self-employed. Whether a reservist is counted also depend whether they were employed during the survey week. Finally, employment counts will be affected by whether employers replace reservists with new workers. As a result, the Department of Labor's statistics will not reflect the Department of Defense's number.

IDAHO FORECAST DESCRIPTION

The Forecast Period is the Fourth Quarter of 2002 through the Fourth Quarter of 2006

The state's economy was described as a train in the January 2003 *Idaho Economic Forecast*. This analogy also applies in comparing the current forecast to the previous one. Specifically, Idaho's economy is expected to leave the station for the recovery tracks later than in the previous forecast, and it will travel slower once it gets there.

There are two primary reasons for the softer forecast. First, new nonfarm employment and personal income data show Idaho was weaker than previously thought. For example, employment in the third quarter of last year was about 4,600 lower than the previously forecasted amount. Idaho nominal personal income was nearly \$400 million down from the previous estimate. This lowered the starting point for the new forecast. Second, it appears the previous U.S. economic forecast may have been a bit optimistic, so it has been lowered. For example, U.S. real GDP has been reduced 0.1% this year, 0.3% next year, 0.5% in 2005, and 0.8% in 2006.

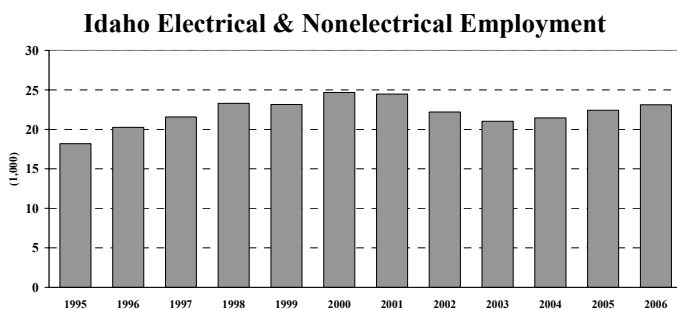
Idaho nonfarm employment growth is lower than in the previous forecast, resulting in lower levels of employment in each year. In the current forecast Idaho nonfarm employment fell an estimated 0.7% in 2002, compared to the previous forecast of a 0.3% decline. Idaho employment is projected to rise 0.1% in 2003, 1.5% in 2004, 1.7% in 2005, and 2.0% in 2006. In the previous forecast this measure was anticipated to grow 0.9% in 2003, 1.9% in 2004, 2.4% in 2005, and 3.3% in 2006. As a result of this faster growth, Idaho nonfarm employment was anticipated to reach 615,397 in 2006. This is significantly higher than the current estimate of 594,621 for 2006.

The Gem State's goods-producing employment sector is hardest hit in this forecast. In the previous forecast the number of jobs in this sector was expected to shrink slightly in 2002 then enjoy moderate growth thereafter. In the current forecast, Idaho goods-producing employment retreats sharply in 2003 (3.6% versus 1.1%). Part of this change reflects layoffs that have been announced since the previous forecast was published. Unfortunately, goods-producing employment is projected to continue shrinking through 2005 and post a marginal gain in 2006. As a result, Idaho goods-producing employment is 11,400 (10.0%) lower in 2006 than had been forecasted previously.

Idaho's services-producing sector is projected to fare better than the goods-producing sector, but not as well as was previously believed. Services-producing employment is forecast to increase 1.0% this year and about 2.1% annually in the remaining years of the forecast. This is slower than the original forecast where service sector job growth accelerated from 1.3% in 2002, to 1.9% in 2004, to 2.4% in 2005, and to 3.3% in 2006. In 2006, services-producing employment is estimated to be about 9,400 (1.9%) lower than the former projection.

The employment pattern holds for Idaho personal income. Specifically, Idaho nominal personal income is lower in the current forecast in 2003 and this gap widens over time. By 2006, it is about \$800 million (2.0%) lower than previously projected. The gap between real Idaho personal income is not as wide because the outlook for inflation is lower in the current forecast.

SELECTED IDAHO ECONOMIC INDICATORS



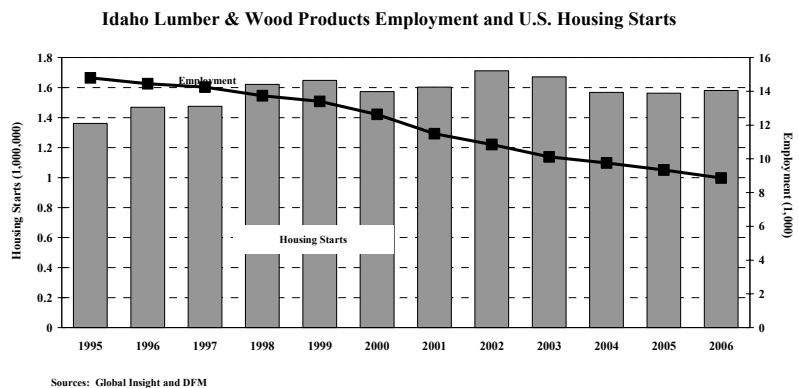
Electrical and Nonelectrical Machinery:

The state's largest manufacturing employment sector suffered a major blow this winter when its single largest employer, Micron, laid off around 1,100 workers in the Treasure Valley. Unfortunately, this is just one in a series of layoffs. Previously, approximately 500 jobs were lost when Jabil Circuit shuttered its two-year old Meridian manufacturing plant. In addition, layoffs by various other firms have cost this sector

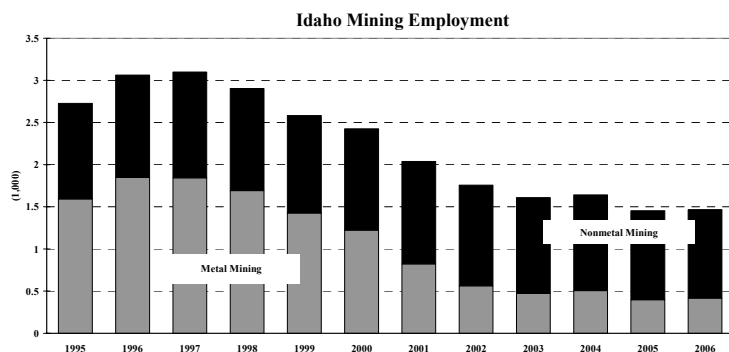
approximately 4,000 jobs during the current downturn. Company-wide, Micron reduced its work force by 10%, or about 1,800 employees. This move was part of the company's plan to reduce costs in response to the one of the most challenging periods of this young industry's history. Micron is the world's second largest manufacturer of computer memory products. Its primary competitors are Samsung, Infineon, and Hynix. A glut of memory products has caused their prices to plummet. For example, Semico Research Corporation reported the price of 256 MB DRAM (Dynamic Random Access Memory) fell from \$7.40 in the first quarter of 2002 to a projected \$5.00 in this year's first quarter. It also estimated Micron's market share fell slightly from 19.7% in 2001 to 18.5% in 2002. These factors have taken a toll on Micron's bottom line. The company has posted losses in nine straight quarters. Despite this protracted down cycle, Micron was able to avoid layoffs until this winter. The layoffs and other restructuring measures are part of the company's plan to shore up its bottom line and position itself for when the industry returns to health. There are signs the industry is poised for growth, but a return to the go-go years of the recent past is unlikely. During the 1990-91 recession, Idaho's high-tech sector added 2,100 jobs, a growth rate of almost 20.0%. It continued to expand through most of the 1990s. By 1995 it was the state's largest manufacturing employer, accounting for one out every four jobs. This growth was propelled by frenzied investment for software and computers. Specifically, from 1990 to 1999 real nonresidential investment in software grew 15.6% annually, while real computer investment surged 34.7% per year. Ironically, 1999 was the first year Idaho's high-tech sector employment shrank since 1986. While investment has not retreated it has slowed. From 1999 to 2002, real software investment has grown just 3.1% per year and investment in computers has risen just 11.0% annually. But over the forecast period real investment in software is forecast to rise nearly 10.0% per year and computer investment should increase about twice the pace of software. Another factor that could aid this sector is the U.S. Department of Commerce's decision to charge Hynix a 57.37% tariff on computer memory it sells in the U.S. This ruling was made in response to complaints the South Korean government was unfairly subsidizing Hynix. The tariff is being collected in an escrow account that will be turned over to Micron if the Department of Commerce's preliminary ruling is upheld. More importantly, if the tariff were made permanent it would effectively prevent Hynix from marketing its products in the United States, which would probably be the demise of Hynix. The loss of this company in a field crowded with competitors could ease supply, which in turn would boost prices. This would bode well for Micron. Another local company with its eyes on the future is Pocatello's AMI Semiconductor. The company has been slowly adding to its 2,500-person payroll despite the industry downturn. Idaho's electrical and nonelectrical sector's employment is expected to decline 5.2% this year, grow 2.0% in 2004, 4.5% in 2005, and 3.1% in 2006.

Lumber and Wood Products: The fortunes of the state's lumber and wood products sector has long been determined by the swings in the business cycle. Traditionally, this industry flourished during

periods of strong demand and retrenched when demand slackened. That is what makes this sector's current decline so frustrating. Idaho's lumber and wood products sector is losing jobs during a time when the U.S. housing industry is booming. The reason has little to do with demand side of the equation and almost everything to do with the supply side. There is a glut of lumber and wood products in the market.



This supply situation is keeping prices low despite healthy demand. Fueling this glut is the tidal wave of products that has been redirected to the red-hot U.S. market as other export markets collapsed. These low prices have squeezed many companies' profits to the point where they have had to curtail operations. For example, approximately 125 jobs were lost when the former Boise Cascade mill in Cascade, Idaho ceased operations in 2001. About 250 jobs were lost last year when the Emmett, Idaho mill was closed. Potlatch shuttered its Jaype Mill near Pierce the previous year, a move that cost about 215 high-paying jobs. A structural problem facing this industry is its chronic over capacity. One estimate shows this industry is already geared up to produce 20% to 25% more lumber than is being consumed in North America and Canada. The good news is the excess supply will eventually disappear. But the bad news is it will result from the anticipated closure of older and less-efficient mills. Unfortunately, mill closings have become an all-too-frequent occurrence in the West. *Random Lengths* recently reported that there were 337 sawmills, plywood plants, veneer mills, and board mills operating in Oregon, Washington, California, Idaho, and Montana, which was just over half the 663 that were in operation ten years ago. Part of this decline can be traced to the shrinking log supplies from federal forests. Like most of the region, the health of the Gem State's industry depends on an adequate supply of public timber. According to U.S. Department Agriculture, the total amount of timber harvested in Idaho fell from 1.8 million board feet in 1990 to 1.2 billion board feet in 2000, a 31% drop. These data also show that harvests from Idaho national forests fell an astounding 78% over this decade. Many Idaho producers have survived by adapting to changes occurring in the industry. For example, Potlatch Corporation announced it would spend \$2.6 million this summer to upgrade its St. Maries sawmill. These changes were deemed necessary to keep the 30-year old sawmill competitive. Under current pressures, Idaho's lumber and wood products employment is expected to decline from 10,845 in 2002 to 8,865 in 2006.



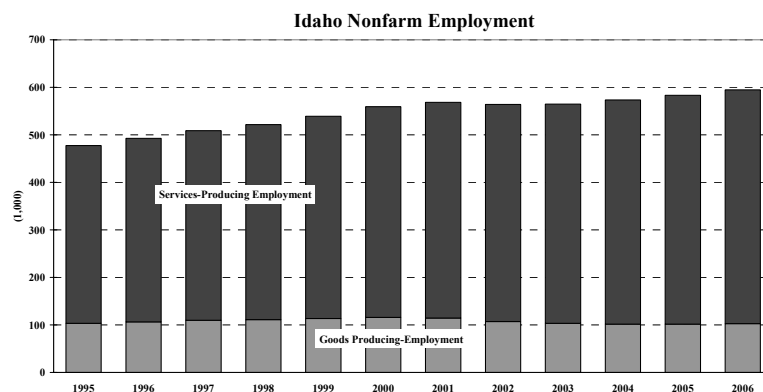
Mining and Chemicals: Idaho's mining sector is expected to enjoy a respite from falling employment in 2004. The state's mining sector suffered its fifth straight year of employment declines in 2002. It is projected to drop again in 2003. After peaking at about 3,100 jobs in 1997 it had less than 1,800 jobs in 2002. Most of the job losses were in the metal mining component, which shed over

1,200 jobs from 1997 to 2002. Idaho other mining employment fell from 1,843 jobs in 1997 to 1,194 jobs in 2002. As a result, as of 2001 there have been more people employed in the other mining sector

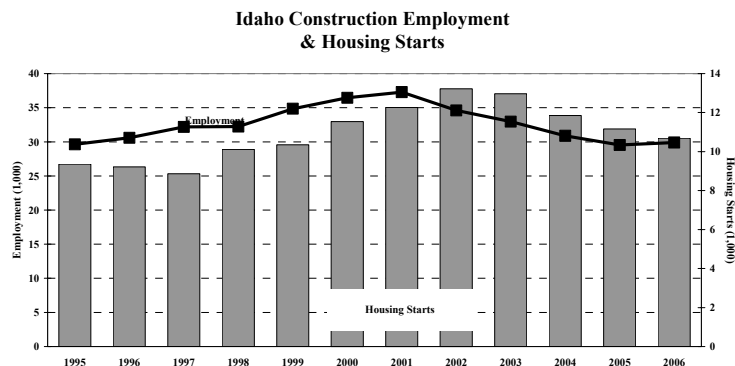
compared to the metal mining sector. Not all the news has been negative, however. Ledcor recently announced it was recalling 40 to 50 workers back to the Thompson Creek Molybdenum Mine. The move reflects improved molybdenum prices. Interestingly, this has not been the first time the company has resumed operations over the last year. Strong prices helped restart the plant in July 2002, but it was closed in November as prices eroded. The state's chemical sector has also fallen on hard times. Most notably, Astaris closed its Pocatello elemental phosphorus plant after operating for more than a half a century. The approximately 300 remaining employees and several hundred construction workers lost their jobs when the plant permanently closed. The plant was a major employer in the community, and its high-paying jobs will be missed. Unfortunately, Astaris is not the only Gem State chemical manufacturer to fall on hard times. Kerr-McGee closed its Soda Springs plant due to the low price of vanadium. Idaho mining employment is expected to grow slightly in 2004, but decline in the other years. Chemical sector employment should grow marginally in 2005, but sustain losses in the other years of the forecast.

Services-Producing Industries:

The outlook for the state's gigantic services-producing sector has changed slightly since the previous forecast. It is still believed this sector will be the leading producer of jobs over the forecast period. In fact, it is anticipated to be the only sector producing jobs through 2005. These jobs will offset the expected contraction of goods-producing sector from 2002 to 2005. Although the services-producing sector is expected to continue to expand, its projected growth is slower than in the previous forecast. Specifically, services-producing employment is expected to advance 1.0% in 2003, 2.2% in 2004, 2.1% in 2005, and 2.1% in 2006. In the previous forecast the number of services-producing jobs was estimated to rise 1.3% in 2003, 1.9% in 2004, 2.4% in 2005, and 3.3% in 2006. As a result of the slower growth, services-producing employment is 491,927 in 2006. It was previously forecast to be 501,293 in 2006. Traditionally, the goods-producing sector determined the fortunes of the services sector. For example, local implement dealers suffer if farmers fall on hard times. However, the roles of the goods-producing and services-producing sectors are becoming blurred. For example, construction is classified as a goods-producing activity, but clearly is largely driven by activity in other sectors. As the economy evolves, many services-based industries have become the drivers. An example of this trend is the growing number of call centers in Idaho. The call centers are involved in a wide range of activities including sales, help lines, telemarketing, customer services, and market research. Call centers also include a wide variety of business sectors. These include manufacturing, transportation, communications, trade, finance, insurance, business services, and research and development. For example, Dell Computer recently opened a service center in Twin Falls. Unfortunately, these call centers are not immune from the vagaries of the business cycle and other factors outside their control. Center Partners, a call center with offices in several Idaho locales, announced it had lost AT&T Broadband as a customer. If a replacement for this client cannot be found, the company will be forced to lay off workers. Other businesses have also announced changes. Sears recently closed its Boise computer operations and is looking for a buyer for its credit operations. However painful, these setbacks should be viewed as temporary. The one thing that has not changed is Idaho's high quality labor force. It has been the reason call centers have been drawn to the state in the past, and it will be the key marketing tool for attracting businesses to the Gem State.



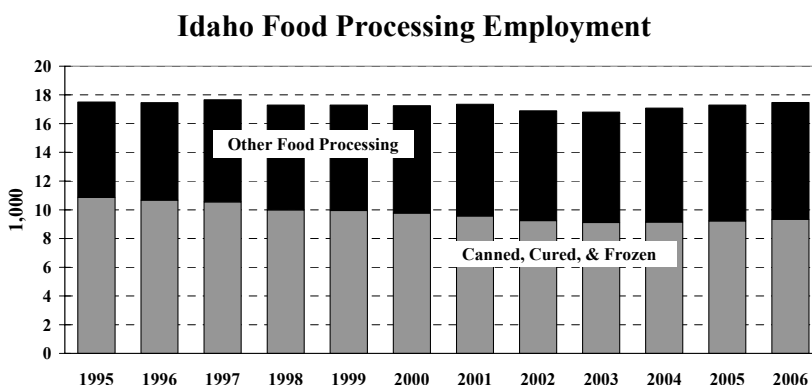
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Construction: Idaho's construction employment is anticipated to experience an orderly retreat from its record level of 37,273 in 2001. Before going further, it is useful to review the recent past to gain a perspective on the magnitude of the expected contraction. From 1988 to 2001, construction employment grew an average of 7.5% per year, which made it one of the state's fastest growing sectors. At this pace, the level of employment nearly

tripled from just fewer than 14,000 to 37,273. The strong demand for housing resulting from strong immigration into the Gem State fueled this employment growth. Housing starts surged from about 3,300 units in 1988 to nearly 12,800 units in 1994. Housing starts did settle down to about 9,400 units in 1995. Since then, total housing starts have hovered in the 9,000- to 11,000-unit range. Nonresidential construction also deserves credit for this sector's strong showing. Projects such as the Boise Towne Square Mall and the rebuilding of downtown Boise's infrastructure helped boost employment during the early years of the boom and provided an important cushion when housing starts dropped in 1995. Given the cooling economy, strained state and local government budgets, and slower population growth, both residential and nonresidential building are not expected to match their earlier strong performances. On the bright side, neither is construction projected to suffer a bust. One of the reasons for this is the state's demand and supply for housing is not as far out of balance as in other states, because Idaho builders were in catch-up mode during most of the expansion period. Thus, the state never developed a significant housing inventory surplus. Idaho housing starts are expected fall this year and next, then recover gradually in 2005 and 2006. Idaho construction employment is forecast decline 4.7% in 2003, 6.3% in 2004, 4.4% in 2005, and rise 1.3% in 2006.

Food Processing: Two large food processors have fallen victim to the weak market for frozen French fries and other processed potato products. Food processing giant McCain Foods USA announced it was reducing the number of shifts its Burley plant this June. As a result, 125 workers are expected to lose their jobs. Company officials stressed this was a temporary move. J.R. Simplot Company



announced about 50 employees at its Heyburn plant will be let go in May. This layoff comes a year after the company announced it would close the plant in April 2004. Company officials had hoped to keep three specialty lines operating until the shutdown, but soft market conditions led to the closing of one line. There will be approximately 265 workers left at the plant after the May 2003 layoff. Some of the domestic weakness is due to concerns over the war with Iraq. If American consumption contracts, it would be consistent with what occurred during the previous Iraqi conflict. These two setbacks have also led to speculation that their markets are undergoing a structural change. One of the biggest threats comes from foreign producers, primarily Canada. It has been reported that the U.S. became a net

importer of French fries in 2000. This trend is expected to continue through 2005 as additional Canadian capacity comes on line. Unfortunately, these two companies were not the only ones to announce layoffs. Eddy's Bakery announced 129 bakery workers would also lose their jobs this May when the company relocates its baking operations to Henderson, Nevada. About 60 transport drivers and driver-salesmen will continue working for the bakery's parent company, Interstate Bakeries Corporation. However, not all the news has been bad. Part of the groundwork for this section's future is being laid in southeastern Idaho. Grupo Modelo started work on its new \$64 million plant in Idaho Falls. The plant will have the capacity to process 100,000 metric tons of barley malt per year for the Mexican brewing company. Significantly, the company chose Idaho as the location of its first operations outside of Mexico. Idaho food processing employment is forecast to dip 0.5% this year, rise 1.6% next year, 1.2% in 2005, and 1.1% in 2006.

FORECASTS COMPARISON

Idaho has a dynamic economy whose growth is influenced by a myriad of local, national, and international factors. Therefore, changes to the projected values of such diverse variables as oil prices, interest rates, and national housing starts can have an effect at the state level. In order to account for the effects of such changes on the state's economy, each issue of the *Idaho Economic Forecast* uses Global Insight's most recent forecast of the U.S. economy. Additional data, such as company-specific expansions and/or contractions are also considered.

The following comparison table shows how the outlooks for several key Idaho and national economic series have changed from the January 2003 to the April 2003 *Idaho Economic Forecast*. The January 2003 Idaho forecast is based on Global Insight's December 2002 baseline forecast and the April 2003 Idaho forecast is driven by Global Insight's March 2003 baseline U.S. macroeconomic forecast.

The table on the facing page highlights some of the differences for several key national and Idaho variables between the current and previous forecast. A review of the national variables reveals Global Insight has lowered its expectations for the economy compared to the previous forecast. Nominal GDP grows slower in this forecast, as evidence by the growing chasm between the current and previous forecasts. Specifically, nominal GDP is 0.6% lower in 2003 but is nearly 2.0% lower in 2006. United States nominal personal income displays a similar pattern. The gap between the current and previous forecasts starts at 0.9% in 2003 and widens to 2.0% in 2006. However, the slower economic growth is accompanied by lower inflation, so the gaps when measured on a real basis are not as large. For example, in 2006 the gap between current and previous real GDP is 0.8% and the gap for real personal income is 1.2%. Other evidence of the softer economic outlook can be found in the employment data. The current Global Insight forecast shows U.S. nonfarm employment is down 0.8 million (0.6%) from the previous forecast in 2003 and 1.7 million (1.2%) in 2006. Over this period the goods-producing sector experiences the largest relative change. It goes from being down 0.5% in 2003 to 1.8% in 2006. In comparison, the service-producing sector is down 0.6% in 2003 and just 1.1% in 2006.

The outlook for Idaho has also been scaled back. This reflects the combination of several factors including the national economy's slower growth, the availability of additional historical employment data for Idaho, and recent events, such as the layoffs at Micron, that were not included in the previous forecast. The additional historical data lowers the starting point for the Idaho forecast. This can be seen in the year 2002, where nonfarm employment is down about 2,400 compared to the previous estimate. The recent high-tech layoffs show up in 2003. In that year, good-producing employment has been reduced nearly 3,100 compared to the previous forecast. Services employment is down 3,600 that same year. The reduced prospects of the current national forecast are the primary reason Idaho's nonfarm employment grows slower over the forecast period. Not surprisingly, Idaho's nominal and real personal incomes are both below their previously forecasted counterparts.

IDAHO ECONOMIC FORECAST
FORECASTS COMPARISON
DIFFERENCES BETWEEN
APRIL 2003 AND JANUARY 2003 FORECASTS

	1999	2000	2001	2002	2003	2004	2005	2006
GDP (BILLIONS)								
Current \$	0	0	0	1	-62	-154	-221	-246
% Difference	0.0%	0.0%	0.0%	0.0%	-0.6%	-1.3%	-1.8%	-1.9%
1996 Chain-Weighted	0	0	0	5	-11	-27	-53	-90
% Difference	0.0%	0.0%	0.0%	0.1%	-0.1%	-0.3%	-0.5%	-0.8%
PERSONAL INCOME - CURR \$								
Idaho (Millions)	0	0	0	-245	-307	-480	-750	-852
% Difference	0.0%	0.0%	0.0%	-0.7%	-0.9%	-1.3%	-1.9%	-2.0%
U.S. (Billions)	0	0	0	4	-51	-144	-213	-223
% Difference	0.0%	0.0%	0.0%	0.0%	-0.5%	-1.4%	-2.0%	-2.0%
PERSONAL INCOME - 1996 \$								
Idaho (Millions)	0	0	0	-210	-229	-100	-258	-408
% Difference	0.0%	0.0%	0.0%	-0.7%	-0.7%	-0.3%	-0.8%	-1.2%
U.S. (Billions)	0	0	0	6	-34	-40	-80	-106
% Difference	0.0%	0.0%	0.0%	0.1%	-0.4%	-0.5%	-0.9%	-1.2%
TOTAL NONFARM EMPLOYMENT								
Idaho	6	8	8	-2,433	-6,713	-8,610	-12,600	-20,775
% Difference	0.0%	0.0%	0.0%	-0.4%	-1.2%	-1.5%	-2.1%	-3.4%
U.S. (Thousands)	0	0	0	-42	-802	-1,611	-1,768	-1,723
% Difference	0.0%	0.0%	0.0%	0.0%	-0.6%	-1.2%	-1.3%	-1.2%
GOODS PRODUCING SECTOR								
Idaho	1	2	4	-422	-3,088	-6,173	-8,925	-11,410
% Difference	0.0%	0.0%	0.0%	-0.4%	-2.9%	-5.7%	-8.1%	-10.0%
U.S. (Thousands)	0	0	0	-10	-119	-393	-424	-440
% Difference	0.0%	0.0%	0.0%	0.0%	-0.5%	-1.7%	-1.8%	-1.8%
SERVICE PRODUCING SECTOR								
Idaho	5	7	4	-2,011	-3,625	-2,437	-3,675	-9,366
% Difference	0.0%	0.0%	0.0%	-0.4%	-0.8%	-0.5%	-0.8%	-1.9%
U.S. (Thousands)	0	0	0	-31	-682	-1,218	-1,345	-1,283
% Difference	0.0%	0.0%	0.0%	0.0%	-0.6%	-1.1%	-1.2%	-1.1%
FINANCIAL MARKETS								
Federal Funds Rate	0.0%	0.0%	0.0%	0.0%	-0.2%	-0.2%	0.0%	0.0%
Bank Prime Rate	0.0%	0.0%	0.0%	0.0%	-0.2%	-0.2%	0.0%	0.0%
Mort Rate, Existing Homes	0.0%	0.0%	0.0%	0.0%	-0.2%	-0.5%	0.0%	0.1%
INFLATION								
GDP Price Deflator	0.0	0.0	0.0	-0.1	-0.5	-1.2	-1.5	-1.3
Personal Cons Deflator	0.0	0.0	0.0	0.0	-0.1	-1.1	-1.3	-1.0
Consumer Price Index	0.0	0.0	0.0	-0.1	-0.1	-1.6	-2.2	-2.1

Forecast Begins the **FOURTH** Quarter of 2002

ALTERNATIVE FORECASTS

Global Insight has assigned a 60% probability of occurrence to its March 2002 baseline forecast of the U.S. economy. The major features of this forecast include:

- Real GDP increases 2.4% in 2002, 2.7% in 2003, 4.3% in 2004, 3.4% in 2005, and 3.1% in 2006;
- U.S. nonfarm employment declines 0.9% in 2002, advances 0.2% in 2003, 1.9% in 2004, 1.8% in 2005, and 1.3% in 2006;
- annual average U.S. civilian unemployment peaks at 5.9% in 2003 and falls gradually to 5.1% by 2006;
- the consumer confidence index bounces between 80 and 95 over the forecast period;
- consumer inflation is 2.3% in 2003 and averages about 2.0% thereafter;
- the federal government deficit peaks at \$396.1 billion in 2003;
- and the current account balance deficit swells steadily to \$662.9 billion by 2006.

While the baseline forecast is the most probable, other outcomes are also possible. The alternative scenarios considered here diverge in opposite directions from the baseline forecast. In the first, the economy performs better than in the baseline. In the second, the economy falls short of the baseline's showing. A major factor in each scenario is the war with Iraq. Both alternatives and their impacts on the Idaho economy are discussed below.

OPTIMISTIC SCENARIO

The *Optimistic Scenario* has been assigned a 15% probability of occurrence. In this scenario the quick U.S. victory in Iraq boosts consumer and business sentiment. The improved outlook spurs consumer spending, business investment, and the stock market. Several elements of the consumer spending that were hardest hit after September 11, 2001, such as spending on travel and recreation, show a strong recovery. On the business side, spending on equipment and software also show a noticeable improvement.

The quick end to the war does have a negative impact on the economy. Fiscal policy is less stimulative due to the reduced military spending compared to its baseline counterpart. Some things are very similar to the baseline, however. This scenario has the same assumptions about oil prices as in the *Baseline Scenario*. Monetary policy is also the same, since inflation is about the same. In summary, GDP growth in the *Optimistic Scenario* is about 0.25 percentage point higher in 2003 and 0.4 percentage point higher in 2004.

The marginally improved national forecast nudges Idaho economic growth up slightly. Idaho nonfarm employment growth increases twice as fast in 2003 in this case compared to the baseline. However, growth rates can be deceiving because the nonfarm employment level is just 400 higher than in the baseline case. This continues in 2004 and 2005. In 2006, nonfarm employment growth of 1.9% is slightly lower than the baseline's 2.0%. As a result, Idaho nonfarm employment is around 1,500 higher than in the baseline in 2006. Likewise, Idaho real personal income experiences a subtle improvement. In 2006 it is \$34.6 billion, which is about \$0.3 billion more than in the *Baseline Scenario*.

IDAHO ECONOMIC FORECAST
BASELINE AND ALTERNATIVE FORECASTS
APRIL 2003

	BASELINE					OPTIMISTIC					PESSIMISTIC				
	2002	2003	2004	2005	2006	2002	2003	2004	2005	2006	2002	2003	2004	2005	2006
GDP (BILLIONS)															
Current \$	10,446	10,907	11,590	12,226	12,868	10,446	10,933	11,659	12,331	12,998	10,446	10,709	11,293	12,000	12,678
% Ch	3.6%	4.4%	6.3%	5.5%	5.2%	3.6%	4.7%	6.6%	5.8%	5.4%	3.6%	2.5%	5.4%	6.3%	5.6%
1996 Chain-Weighted	9,440	9,696	10,116	10,463	10,783	9,440	9,718	10,177	10,555	10,890	9,440	9,535	9,883	10,319	10,710
% Ch	2.4%	2.7%	4.3%	3.4%	3.1%	2.4%	2.9%	4.7%	3.7%	3.2%	2.4%	1.0%	3.7%	4.4%	3.8%
PERSONAL INCOME - CURR \$															
Idaho (Millions)	33,646	35,080	36,956	38,840	41,159	33,660	35,165	37,200	39,178	41,511	33,660	34,851	36,396	38,364	40,568
% Ch	3.4%	4.3%	5.3%	5.1%	6.0%	3.5%	4.5%	5.8%	5.3%	6.0%	3.5%	3.5%	4.4%	5.4%	5.7%
U.S. (Billions)	8,947	9,311	9,812	10,337	10,908	8,947	9,323	9,854	10,406	10,999	8,947	9,209	9,563	10,101	10,685
% Ch	3.0%	4.1%	5.4%	5.4%	5.5%	3.0%	4.2%	5.7%	5.6%	5.7%	3.0%	2.9%	3.8%	5.6%	5.8%
PERSONAL INCOME - 1996 \$															
Idaho (Millions)	30,298	30,979	32,142	33,116	34,335	30,310	31,052	32,357	33,418	34,632	30,310	30,726	31,637	32,800	34,053
% Ch	2.1%	2.2%	3.8%	3.0%	3.7%	2.1%	2.4%	4.2%	3.3%	3.6%	2.1%	1.4%	3.0%	3.7%	3.8%
U.S. (Billions)	8,057	8,222	8,534	8,814	9,100	8,057	8,232	8,571	8,876	9,176	8,057	8,119	8,313	8,636	8,969
% Ch	1.6%	2.1%	3.8%	3.3%	3.2%	1.6%	2.2%	4.1%	3.6%	3.4%	1.6%	0.8%	2.4%	3.9%	3.9%
TOTAL NONFARM EMPLOYMENT															
Idaho (Thousands)	564.1	564.7	573.4	583.2	594.6	564.1	565.1	574.4	585.1	596.1	564.1	562.0	564.8	576.9	589.2
% Ch	-0.7%	0.1%	1.5%	1.7%	2.0%	-0.7%	0.2%	1.7%	1.9%	1.9%	-0.7%	-0.4%	0.5%	2.2%	2.1%
U.S. (Millions)	130.8	131.1	133.5	136.0	137.7	130.8	131.0	133.0	135.9	138.0	130.8	130.1	131.1	134.2	137.1
% Ch	-0.9%	0.2%	1.9%	1.8%	1.3%	-0.9%	0.1%	1.6%	2.1%	1.6%	-0.9%	-0.6%	0.8%	2.4%	2.1%
GOODS PRODUCING SECTOR															
Idaho (Thousands)	107.1	103.2	101.8	101.6	102.7	107.1	103.3	102.1	102.2	103.5	107.1	102.1	100.1	101.2	103.2
% Ch	-6.6%	-3.6%	-1.3%	-0.3%	1.1%	-6.6%	-3.5%	-1.1%	0.1%	1.3%	-6.6%	-4.6%	-2.0%	1.1%	2.0%
U.S. (Millions)	23.8	23.3	23.2	23.6	23.8	23.8	23.3	23.3	23.8	24.1	23.8	23.1	22.5	23.0	23.5
% Ch	-4.5%	-2.1%	-0.4%	1.5%	1.0%	-4.5%	-2.1%	-0.3%	2.2%	1.5%	-4.5%	-3.2%	-2.6%	2.3%	2.5%
SERVICE PRODUCING SECTOR															
Idaho (Thousands)	457.0	461.5	471.6	481.7	491.9	457.1	461.8	472.3	482.9	492.6	457.1	459.9	464.7	475.8	486.0
% Ch	0.7%	1.0%	2.2%	2.1%	2.1%	0.7%	1.0%	2.3%	2.2%	2.0%	0.7%	0.6%	1.1%	2.4%	2.1%
U.S. (Millions)	106.9	107.7	110.3	112.4	113.9	106.9	107.6	109.8	112.1	113.9	106.9	107.0	108.6	111.2	113.5
% Ch	0.0%	0.7%	2.4%	1.9%	1.3%	0.0%	0.6%	2.0%	2.1%	1.6%	0.0%	0.0%	1.6%	2.4%	2.1%
SELECTED INTEREST RATES															
Federal Funds	1.7%	1.5%	3.1%	4.2%	4.9%	1.7%	1.5%	3.1%	4.2%	4.9%	1.7%	0.9%	1.8%	3.6%	4.2%
Bank Prime	4.7%	4.5%	6.1%	7.2%	7.9%	4.7%	4.5%	6.1%	7.2%	7.9%	4.7%	3.9%	4.8%	6.6%	7.2%
Existing Home Mortgage	6.5%	6.1%	7.0%	7.7%	7.9%	6.5%	6.1%	7.0%	7.6%	7.8%	6.5%	6.1%	6.6%	7.6%	7.5%
INFLATION															
GDP Price Deflator	1.1%	1.7%	1.9%	2.0%	2.1%	1.1%	1.7%	1.8%	2.0%	2.2%	1.1%	1.5%	1.7%	1.8%	1.8%
Personal Cons Deflator	1.4%	2.0%	1.5%	2.0%	2.2%	1.4%	2.0%	1.5%	2.0%	2.2%	1.4%	2.1%	1.4%	1.7%	1.9%
Consumer Price Index	1.6%	2.3%	1.6%	2.1%	2.3%	1.6%	2.3%	1.6%	2.0%	2.3%	1.6%	2.5%	1.5%	1.7%	1.9%

Forecast Begins the **FOURTH** Quarter of 2002

PESSIMISTIC SCENARIO

This scenario has been assigned a 25% probability of occurrence. The key feature of this scenario is a protracted war with Iraq. Although such an assumption seems unrealistic at this point, it was not at the time this forecast was prepared. While the likelihood of this occurring has dropped, it nonetheless provides a sobering lesson at how bad things could have turned out had the war been strung out over several months. It is assumed that until the war was resolved consumers would rein in spending, businesses would delay investments, and stock market would tumble. Consumer confidence suffers another blow when the weak job market finally bursts the housing bubble. Although the longer war costs about \$20 billion more than a short war, the extra spending is stretched out so it has little impact on GDP.

The Federal Reserve loosens to prop up the economy, but its efforts arrive too late to prevent a recession. Real GDP rises in the first quarter of this year, but it falls in the second and third quarters. The war finally ends in late summer, causing confidence to begin rising again. With inventories at bare-bones levels, production picks up in late 2003. As business improves, companies begin to expand their payrolls. The healthier job market rekindles the housing market, which in turn, boost nonresidential investment. This growth continues through the early part of 2004 then begins to level off. The economy is on solid ground by 2005.

Under this scenario the state's recovery is delayed. Instead, of expanding 0.1% in 2003 as in the baseline, nonfarm employment contracts nearly 0.5%. It does advance 0.5% in 2004, but this a third of the baseline's expected pace that same year. Employment growth does pick up speed in the last two years of the forecast, but it is not enough to offset its previous sub-par showing. In 2006 Idaho nonfarm employment is around 589,200, which is about 5,400 lower than in the baseline. Idaho reap personal income is also lower in 2006 despite a late rally.

House Price Bubbles

John Krainer

The possibility of a "bubble" in house prices has received considerable attention lately. To be sure, house price appreciation has been strong in spite of the slowdown in the economy. From the beginning of the recession in the second quarter of 2001 through the third quarter of 2002, house prices rose at an annualized rate of 7%, according to the Office of Federal Housing Enterprise Oversight (OFHEO). By contrast, in the comparable period around the last recession in 1990-1991, house prices rose at a more modest 2% annualized rate.

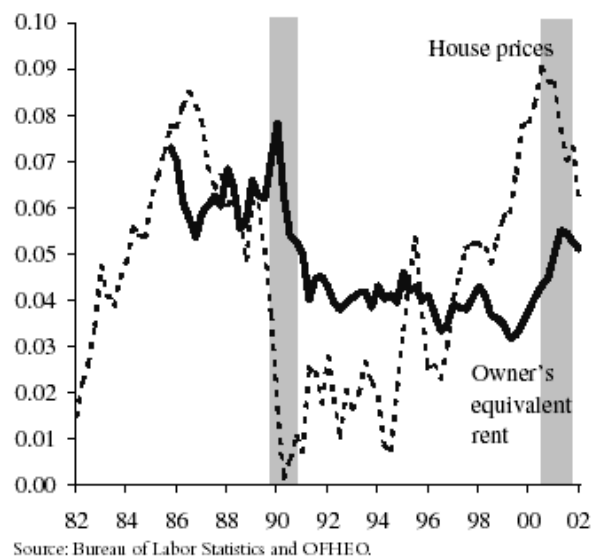
A key concern about a house price bubble is that gains in housing wealth--either unrealized gains or gains extracted through home sales or refinancing--may be partly responsible for the relative strength in consumer spending. If a bubble exists, and it bursts, causing home prices to fall, then an important prop for consumption would be gone.

A house price bubble can be defined simply as a deviation of the market price from the fundamental value of the house. The definition implies, however, that identifying a bubble as it is developing will not be so easy, since the fundamental value of a house is generally unobservable. In this *Economic Letter*, rather than trying to identify deviations from a fundamental value, I will adopt two different strategies to evaluate house prices. The first is to compare the recent price appreciation with the behavior of house prices in similar stages of past cycles. In this analysis, I show that house prices continued to grow much later into this business cycle than in the early 1990s cycle. The second strategy assesses whether house prices are high relative to their underlying rental value. This analysis shows that house prices are indeed high relative to rents, but that only mild declines in house prices and average growth in rents would be necessary to restore their long-run relationships.

House price dynamics

One important stylized fact of the housing market is that changes in house prices display strong persistence. It is widely thought that a lack of persistence is one of the hallmarks of an efficient market. It

Figure 1:
Year-over-year growth rates in U.S. house prices
and rental prices



Opinions expressed in the Economic Letter do not necessarily reflect the views of the management of the Federal Reserve Bank of San Francisco or the Board of Governors of the Federal Reserve System.

is not surprising then that persistence in house price changes is usually explained by appealing to the frictions in real estate markets. Real estate markets do not clear immediately after a shock to the economy. It takes time for buyers and sellers of existing houses to search for each other. And it takes time for developers to bring new houses to market after an increase in demand and to work off inventories when demand weakens.

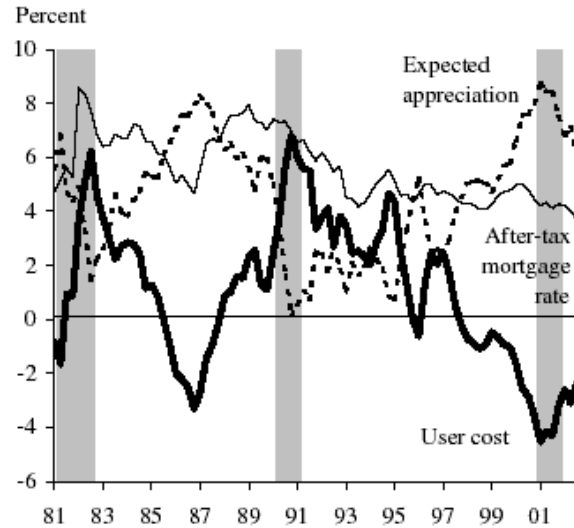
The second interesting feature of the house price data is that it is unusual to observe declines in nominal prices. In the national data in Figure 1, we do not observe any nominal declines in year-over-year price changes over the past 20 years. While real price declines are more common, and some local markets even experience nominal declines, actual transaction prices tend to increase during good times and then flatten out during bad times. A possible explanation for this is that houses serve as both an investment and a consumption good. If the state of the economy worsens, but homeowners can still make their mortgage payments, then they can continue to live in the house and delay selling until a more favorable time. This point is relevant to our current environment. If the housing market weakens, then it is more likely that we will see large declines in the volumes of sales and not necessarily large declines in prices.

The unusual strength of the housing market

House price appreciation over the past several quarters has been high, despite the recession and the moderate recovery. This strength contrasts with the behavior of the housing market in the early 1990s when prices essentially leveled off just as the economy headed into recession.

We can see the unusual strength of house prices in two ways, each of which helps shed light on the housing market's behavior during the recent cycle. First, since supply is relatively fixed in the short run, we can use a measure of housing demand, the user cost of housing capital, to gauge why demand has been so strong over the past few years. The user cost can be interpreted as the cost of investing in one more unit of housing for one period. We will focus on a stripped-down version of the user cost that includes the after-tax mortgage rate and the expected house price appreciation, the two components affecting the cost of ownership that fluctuate most over time. High interest rates raise the user cost, and thus reduce demand. High expected capital gains reduce the user cost, and thus increase demand, as capital gains on housing represent a form of saving.

Figure 2:
User cost of capital and main components



Source: Author's calculations based on data from OFHEO and Freddie Mac.

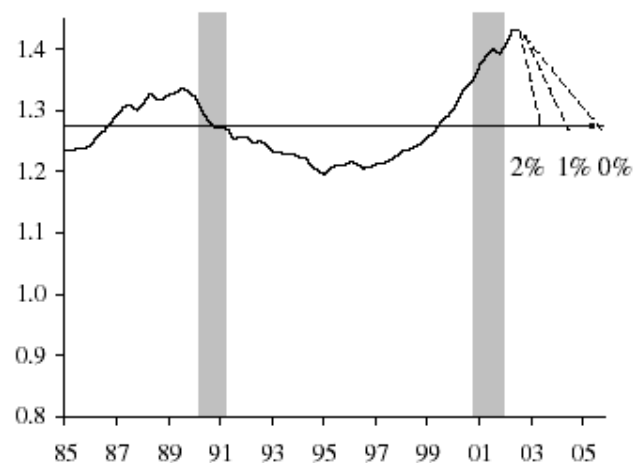
Figure 2 shows that the user cost is extremely low (negative) at this point in the business cycle. To be sure, the rapid fall in interest rates over the past year has brought down the after-tax mortgage rate. But an even more important driver of the user cost today is the expected appreciation rate on housing assets. Demand--and, along with it, presumably, house prices--has been strong during the recent downturn primarily because house prices are expected to rise in the future.

This result raises the question of how expectations are estimated. I estimate expectations of next quarter's appreciation rate with the four-quarter moving average of past house price appreciation rates. While this approach is crude and not particularly appealing from a theoretical viewpoint, it is not a bad predictor of actual house price changes. This is because there is so much persistence in quarterly house price changes.

The optimism about house prices in the user cost calculations could reflect several things, including, of course, a bubble. But a non-bubble explanation could be that people expect lower interest rates or robust income growth in the future. The main point, then, is that if house prices are to be justified by fundamental variables, then it is the expectations about these variables, and not the current values, that explain the strong demand at this point in the business cycle.

A second way to gauge the extent to which house price appreciation has been unusual is to look at the relationship between house prices and the value of the service flow generated by owner-occupied housing. An indicator of that service flow is the owners' equivalent rent series, which is published by the Bureau of Labor Statistics (BLS). Figure 3 plots the ratio of the OFHEO national house price index to the BLS's owners' equivalent rent index. The horizontal line at 1.27 is the long-run average of the ratio. Note that a decline in this derived ratio below the average level does not necessarily indicate declines in the level of house prices. Rather, declines in the ratio denote periods where rental values are growing faster than house prices. This derived ratio is an attempt to construct a measure akin to the P/E ratio so commonly used in stock market analysis (see Leamer 2002). While we believe that house prices and service flow values should be related, the stability of this relationship is a matter of some debate. That is, large and long-lived deviations of this series from its average are not sufficient proof of mispricing or a bubble. However, if

Figure 3:
House price-to-rental value ratio



Source: Author's calculations based on data from OFHEO and BLS.
Note: Simulations (dotted lines) assume average growth in rental value and alternative depreciation rates in house prices after 2002:Q3.

there were indeed a bubble in the housing market, we might expect to see signs of it in the historical house price/rental value ratio.

As Figure 3 demonstrates, house prices rose faster than rental values over the past few years, in sharp contrast to the pattern in the 1990-1991 cycle. With the rise in house prices relative to rental rates in recent quarters, the house price/rental value ratio has moved above its long-run average, suggesting that house prices are indeed high relative to rents.

How far would house prices have to fall?

One of the convenient features of the house price/rental value ratio in Figure 3 is that it lends itself nicely to simulations. Therefore, we can answer the question of how far prices have to fall in order to force the house price/rental value ratio back to its long-run average. An instantaneous correction would require house prices to fall by 11% to restore the long-run relationship between house prices and rental values. However, such an abrupt correction would be unprecedented for the U.S. house price series. Following the observation that declines in nominal house prices are unusual, I hold the house price index fixed at its current level and allow the rental price index to grow at its average quarterly rate (approximately 1% per quarter). Under this scenario, the house price/rental value ratio reverts back to its average level by the fourth quarter of 2005. This scenario implies a period of flat prices for three years, which is not remarkably different from the five years of slow appreciation in the early 1990s.

Alternatively, we can look at scenarios where nominal house prices decline (-1% per quarter and -2% per quarter) and rental values grow at their average rate. Under these scenarios, the house price/rental value ratio reverts back to its long-run average by the first quarter of 2004 and the third quarter of 2003, respectively.

In summary, the house price/rental value ratio does not indicate that house prices are drastically out of line with their historical relationship with rental values. Relative balance in the housing market could be restored without the kinds of declines observed in the NASDAQ or in Japanese property markets during the early 1990s.

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IDAHO ECONOMIC FORECAST

APRIL 2003

FORECAST DETAIL

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Reporting Conventions

Units of measurement are presented in the individual reports. If not otherwise indicated, population is in millions; income is in billions; and employment is in thousands.

The percentage change numbers given in the annual reports are simple period-to-period percent changes. Since the periods are years, they are thus simple annual changes. The percentage changes given in the quarterly report are period-to-period changes at compound annual rates, following standard practice. A large change in a given quarter can seem to be exaggerated since the calculation assumes the change is compounded over an entire year.

Data Sources

National forecast data are provided by Global Insight and the Food and Agricultural Policy Research Institute (FAPRI). Historical data for the models are obtained from the following agencies: Bureau of the Census (demographic), Bureau of Economic Analysis (income), Bureau of Labor Statistics (employment), Federal Reserve Board of Governors (production), and U.S. Department of Agriculture (farm).

Idaho historical data are obtained from the Department of Labor (employment and hourly earnings), Bureau of Vital Statistics (births and deaths), Division of Financial Management (migration), and the Bureau of Economic Analysis (income).

The Idaho average annual wage is calculated by the Division of Financial Management from Bureau of Economic Analysis and Idaho Department of Labor data. Because of the different methodology used and data available, this figure may not match those published by other sources.

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

APRIL 2003

DEMOGRAPHICS

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
POPULATION										
Idaho (Thousands)	986.6	988.5	996.7	1,013.1	1,041.2	1,072.1	1,108.6	1,144.9	1,177.0	1,203.2
% Ch	-0.4%	0.2%	0.8%	1.6%	2.8%	3.0%	3.4%	3.3%	2.8%	2.2%
National (Millions)	243.1	245.3	247.7	250.6	253.9	257.4	260.7	263.9	267.0	270.1
% Ch	0.9%	0.9%	1.0%	1.2%	1.3%	1.3%	1.3%	1.2%	1.2%	1.2%
BIRTHS										
Idaho (Thousands)	15.905	15.759	15.863	16.423	16.741	17.197	17.575	17.690	17.915	18.482
% Ch	-3.2%	-0.9%	0.7%	3.5%	1.9%	2.7%	2.2%	0.7%	1.3%	3.2%
National (Thousands)	3,809.0	3,910.0	4,041.0	4,158.0	4,110.0	4,038.0	3,997.0	3,964.0	3,935.0	3,911.0
% Ch	1.4%	2.7%	3.4%	2.9%	-1.2%	-1.8%	-1.0%	-0.8%	-0.7%	-0.6%
DEATHS										
Idaho (Thousands)	7.307	7.611	7.389	7.358	7.644	7.887	8.277	8.478	8.553	8.679
% Ch	-0.5%	4.2%	-2.9%	-0.4%	3.9%	3.2%	4.9%	2.4%	0.9%	1.5%
National (Thousands)	2,123.0	2,168.0	2,150.0	2,162.0	2,163.0	2,210.0	2,237.0	2,264.0	2,291.0	2,318.0
% Ch	0.9%	2.1%	-0.8%	0.6%	0.0%	2.2%	1.2%	1.2%	1.2%	1.2%
NET MIGRATION										
Idaho (Thousands)	-12.542	-6.249	-0.251	7.323	19.017	21.659	27.168	27.115	22.652	16.417
HOUSING										
HOUSING STARTS										
Idaho	3,409	3,334	4,674	5,832	6,600	9,584	11,457	12,766	9,360	9,220
% Ch	-18.1%	-2.2%	40.2%	24.8%	13.2%	45.2%	19.5%	11.4%	-26.7%	-1.5%
National (Millions)	1.631	1.488	1.382	1.203	1.009	1.201	1.292	1.446	1.361	1.469
% Ch	-10.0%	-8.7%	-7.1%	-12.9%	-16.2%	19.1%	7.5%	12.0%	-5.9%	7.9%
SINGLE UNITS										
Idaho	2,744	2,981	3,711	4,786	5,662	7,900	8,939	9,421	7,281	7,850
% Ch	-13.1%	8.6%	24.5%	29.0%	18.3%	39.5%	13.1%	5.4%	-22.7%	7.8%
National (Millions)	1.154	1.083	1.006	0.901	0.835	1.032	1.131	1.191	1.082	1.154
% Ch	-2.4%	-6.2%	-7.1%	-10.5%	-7.3%	23.6%	9.6%	5.4%	-9.2%	6.7%
MULTIPLE UNITS										
Idaho	665	353	963	1,046	938	1,684	2,518	3,345	2,079	1,370
% Ch	-33.9%	-47.0%	173.2%	8.6%	-10.3%	79.6%	49.5%	32.9%	-37.9%	-34.1%
National (Millions)	0.476	0.405	0.376	0.303	0.174	0.170	0.161	0.255	0.279	0.314
% Ch	-24.3%	-15.0%	-7.2%	-19.5%	-42.6%	-2.4%	-5.1%	58.3%	9.4%	12.7%
HOUSING STOCK										
Idaho (Thousands)	324.8	327.1	330.1	334.8	339.8	347.4	356.9	368.7	377.8	386.2
% Ch	0.8%	0.7%	0.9%	1.4%	1.5%	2.2%	2.7%	3.3%	2.4%	2.2%

National Variables Forecast by GLOBAL INSIGHT
Forecast Begins the FOURTH Quarter of 2002

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

APRIL 2003

DEMOGRAPHICS

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
POPULATION										
Idaho (Thousands)	1,228.4	1,252.3	1,275.7	1,299.1	1,320.7	1,341.0	1,355.1	1,369.2	1,382.7	1,395.9
% Ch	2.1%	1.9%	1.9%	1.8%	1.7%	1.5%	1.0%	1.0%	1.0%	1.0%
National (Millions)	273.4	276.6	279.7	282.9	286.0	289.0	291.7	294.2	296.8	299.3
% Ch	1.2%	1.2%	1.1%	1.1%	1.1%	1.1%	0.9%	0.9%	0.9%	0.8%
BIRTHS										
Idaho (Thousands)	18.599	19.188	19.897	20.304	20.684	20.116	20.213	20.374	20.513	20.656
% Ch	0.6%	3.2%	3.7%	2.0%	1.9%	-2.7%	0.5%	0.8%	0.7%	0.7%
National (Thousands)	3,892.0	3,880.0	3,874.0	3,872.0	3,876.0	3,885.0	3,901.0	3,925.0	3,955.3	3,991.0
% Ch	-0.5%	-0.3%	-0.2%	-0.1%	0.1%	0.2%	0.4%	0.6%	0.8%	0.9%
DEATHS										
Idaho (Thousands)	8.953	9.105	9.488	9.538	9.811	9.837	9.954	10.072	10.186	10.298
% Ch	3.2%	1.7%	4.2%	0.5%	2.9%	0.3%	1.2%	1.2%	1.1%	1.1%
National (Thousands)	2,345.0	2,372.0	2,399.0	2,424.0	2,446.0	2,467.0	2,487.0	2,507.0	2,528.0	2,547.8
% Ch	1.2%	1.2%	1.1%	1.0%	0.9%	0.9%	0.8%	0.8%	0.8%	0.8%
NET MIGRATION										
Idaho (Thousands)	15.583	13.836	12.975	12.658	10.645	10.085	3.785	3.858	3.111	2.931
HOUSING										
HOUSING STARTS										
Idaho	8,865	10,114	10,350	11,535	12,258	13,225	12,971	11,848	11,161	10,690
% Ch	-3.9%	14.1%	2.3%	11.5%	6.3%	7.9%	-1.9%	-8.7%	-5.8%	-4.2%
National (Millions)	1.475	1.621	1.647	1.573	1.603	1.711	1.672	1.567	1.562	1.580
% Ch	0.4%	9.9%	1.6%	-4.5%	1.9%	6.8%	-2.3%	-6.3%	-0.3%	1.1%
SINGLE UNITS										
Idaho	7,659	9,044	9,198	10,392	10,444	11,181	11,724	10,729	10,223	9,764
% Ch	-2.4%	18.1%	1.7%	13.0%	0.5%	7.1%	4.9%	-8.5%	-4.7%	-4.5%
National (Millions)	1.136	1.278	1.306	1.232	1.273	1.365	1.384	1.299	1.271	1.259
% Ch	-1.6%	12.4%	2.2%	-5.7%	3.3%	7.2%	1.4%	-6.1%	-2.2%	-0.9%
MULTIPLE UNITS										
Idaho	1,205	1,070	1,152	1,143	1,814	2,044	1,247	1,119	939	926
% Ch	-12.0%	-11.2%	7.7%	-0.8%	58.7%	12.7%	-39.0%	-10.3%	-16.1%	-1.4%
National (Millions)	0.338	0.344	0.341	0.341	0.330	0.347	0.288	0.268	0.292	0.322
% Ch	7.6%	1.6%	-0.7%	0.1%	-3.2%	4.9%	-16.8%	-7.0%	8.8%	10.3%
HOUSING STOCK										
Idaho (Thousands)	393.7	402.3	411.3	421.2	432.1	442.9	455.3	466.1	476.1	485.5
% Ch	1.9%	2.2%	2.2%	2.4%	2.6%	2.5%	2.8%	2.4%	2.1%	2.0%

National Variables Forecast by GLOBAL INSIGHT
Forecast Begins the FOURTH Quarter of 2002

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

APRIL 2003

OUTPUT, INCOME, & WAGES

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
GROSS DOM. PRODUCT (Billions)										
Current Dollars	4,742	5,108	5,489	5,803	5,986	6,319	6,642	7,054	7,401	7,813
% Ch	6.5%	7.7%	7.5%	5.7%	3.2%	5.6%	5.1%	6.2%	4.9%	5.6%
1996 Chain-Weighted	6,113	6,368	6,592	6,708	6,676	6,880	7,063	7,348	7,544	7,813
% Ch	3.4%	4.2%	3.5%	1.8%	-0.5%	3.1%	2.7%	4.0%	2.7%	3.6%
PERSONAL INCOME - CURR \$										
Idaho (Millions)	12,422	13,354	14,721	16,055	16,825	18,382	20,105	21,399	22,869	24,174
% Ch	4.8%	7.5%	10.2%	9.1%	4.8%	9.3%	9.4%	6.4%	6.9%	5.7%
Idaho Nonfarm (Millions)	11,838	12,722	13,863	15,081	16,026	17,581	19,040	20,706	22,073	23,298
% Ch	4.1%	7.5%	9.0%	8.8%	6.3%	9.7%	8.3%	8.7%	6.6%	5.6%
National (Billions)	3,963	4,272	4,600	4,903	5,085	5,390	5,610	5,888	6,201	6,547
% Ch	6.7%	7.8%	7.7%	6.6%	3.7%	6.0%	4.1%	5.0%	5.3%	5.6%
PERSONAL INCOME - 1996 \$										
Idaho (Millions)	16,453	17,022	17,982	18,749	18,923	20,061	21,431	22,357	23,359	24,172
% Ch	1.0%	3.5%	5.6%	4.3%	0.9%	6.0%	6.8%	4.3%	4.5%	3.5%
Idaho Nonfarm (Millions)	15,680	16,217	16,934	17,610	18,024	19,187	20,296	21,632	22,545	23,297
% Ch	0.2%	3.4%	4.4%	4.0%	2.4%	6.5%	5.8%	6.6%	4.2%	3.3%
National (Billions)	5,249	5,447	5,619	5,726	5,720	5,883	5,980	6,152	6,334	6,547
% Ch	2.8%	3.8%	3.2%	1.9%	-0.1%	2.9%	1.7%	2.9%	3.0%	3.4%
PER CAPITA PERS INC - CURR \$										
Idaho	12,591	13,510	14,769	15,847	16,159	17,144	18,133	18,688	19,430	20,091
% Ch	5.2%	7.3%	9.3%	7.3%	2.0%	6.1%	5.8%	3.1%	4.0%	3.4%
National	16,301	17,414	18,571	19,566	20,025	20,945	21,520	22,316	23,226	24,239
% Ch	5.8%	6.8%	6.6%	5.4%	2.3%	4.6%	2.7%	3.7%	4.1%	4.4%
PER CAPITA PERS INC - 1996 \$										
Idaho	16,677	17,221	18,041	18,508	18,174	18,710	19,330	19,526	19,846	20,090
% Ch	1.4%	3.3%	4.8%	2.6%	-1.8%	2.9%	3.3%	1.0%	1.6%	1.2%
National	21,592	22,203	22,687	22,850	22,523	22,860	22,941	23,316	23,725	24,239
% Ch	1.9%	2.8%	2.2%	0.7%	-1.4%	1.5%	0.4%	1.6%	1.8%	2.2%
AVERAGE ANNUAL WAGE										
Idaho	17,620	18,337	18,892	19,760	20,556	21,477	21,963	22,723	23,620	24,110
% Ch	2.5%	4.1%	3.0%	4.6%	4.0%	4.5%	2.3%	3.5%	3.9%	2.1%
National	22,267	23,314	24,071	25,178	26,089	27,466	27,872	28,358	29,224	30,325
% Ch	4.6%	4.7%	3.2%	4.6%	3.6%	5.3%	1.5%	1.7%	3.1%	3.8%

National Variables Forecast by GLOBAL INSIGHT
Forecast Begins the FOURTH Quarter of 2002

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

APRIL 2003

OUTPUT, INCOME, & WAGES

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
GROSS DOM. PRODUCT (Billions)										
Current Dollars	8,318	8,782	9,274	9,825	10,082	10,446	10,907	11,590	12,226	12,868
% Ch	6.5%	5.6%	5.6%	5.9%	2.6%	3.6%	4.4%	6.3%	5.5%	5.2%
1996 Chain-Weighted	8,159	8,509	8,859	9,191	9,215	9,440	9,696	10,116	10,463	10,783
% Ch	4.4%	4.3%	4.1%	3.8%	0.3%	2.4%	2.7%	4.3%	3.4%	3.1%
PERSONAL INCOME - CURR \$										
Idaho (Millions)	25,227	27,066	28,931	31,314	32,525	33,646	35,080	36,956	38,840	41,159
% Ch	4.4%	7.3%	6.9%	8.2%	3.9%	3.4%	4.3%	5.3%	5.1%	6.0%
Idaho Nonfarm (Millions)	24,557	26,149	27,901	30,519	31,562	32,657	33,943	35,696	37,609	39,838
% Ch	5.4%	6.5%	6.7%	9.4%	3.4%	3.5%	3.9%	5.2%	5.4%	5.9%
National (Billions)	6,937	7,426	7,786	8,407	8,685	8,947	9,311	9,812	10,337	10,908
% Ch	6.0%	7.0%	4.9%	8.0%	3.3%	3.0%	4.1%	5.4%	5.4%	5.5%
PERSONAL INCOME - 1996 \$										
Idaho (Millions)	24,745	26,268	27,622	29,158	29,686	30,298	30,979	32,142	33,116	34,335
% Ch	2.4%	6.2%	5.2%	5.6%	1.8%	2.1%	2.2%	3.8%	3.0%	3.7%
Idaho Nonfarm (Millions)	24,088	25,379	26,639	28,418	28,807	29,407	29,975	31,047	32,066	33,234
% Ch	3.4%	5.4%	5.0%	6.7%	1.4%	2.1%	1.9%	3.6%	3.3%	3.6%
National (Billions)	6,805	7,208	7,435	7,828	7,927	8,057	8,222	8,534	8,814	9,100
% Ch	3.9%	5.9%	3.2%	5.3%	1.3%	1.6%	2.1%	3.8%	3.3%	3.2%
PER CAPITA PERS INC - CURR \$										
Idaho	20,535	21,611	22,676	24,102	24,628	25,090	25,888	26,990	28,090	29,484
% Ch	2.2%	5.2%	4.9%	6.3%	2.2%	1.9%	3.2%	4.3%	4.1%	5.0%
National	25,376	26,852	27,836	29,719	30,372	30,961	31,919	33,348	34,834	36,449
% Ch	4.7%	5.8%	3.7%	6.8%	2.2%	1.9%	3.1%	4.5%	4.5%	4.6%
PER CAPITA PERS INC - 1996 \$										
Idaho	20,143	20,975	21,652	22,444	22,478	22,593	22,861	23,474	23,951	24,596
% Ch	0.3%	4.1%	3.2%	3.7%	0.2%	0.5%	1.2%	2.7%	2.0%	2.7%
National	24,893	26,063	26,580	27,673	27,721	27,880	28,187	29,005	29,700	30,406
% Ch	2.7%	4.7%	2.0%	4.1%	0.2%	0.6%	1.1%	2.9%	2.4%	2.4%
AVERAGE ANNUAL WAGE										
Idaho	24,811	25,826	26,961	28,664	28,681	29,270	30,155	31,198	32,280	33,458
% Ch	2.9%	4.1%	4.4%	6.3%	0.1%	2.1%	3.0%	3.5%	3.5%	3.7%
National	31,702	33,316	34,680	36,717	37,526	38,414	39,678	41,019	42,410	43,978
% Ch	4.5%	5.1%	4.1%	5.9%	2.2%	2.4%	3.3%	3.4%	3.4%	3.7%

National Variables Forecast by GLOBAL INSIGHT
Forecast Begins the FOURTH Quarter of 2002

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

APRIL 2003

PERSONAL INCOME -- CURR \$\$

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
WAGE AND SALARY PAYMENTS										
Idaho (Millions)	6,171	6,704	7,247	7,971	8,533	9,307	9,991	10,916	11,725	12,316
% Ch	4.1%	8.6%	8.1%	10.0%	7.1%	9.1%	7.3%	9.3%	7.4%	5.0%
National (Billions)	2,270	2,453	2,597	2,755	2,824	2,983	3,085	3,237	3,425	3,626
% Ch	7.4%	8.0%	5.9%	6.1%	2.5%	5.6%	3.4%	4.9%	5.8%	5.9%
FARM PROPRIETORS INCOME										
Idaho (Millions)	443	471	683	771	601	603	839	410	496	585
% Ch	33.9%	6.4%	45.1%	12.8%	-22.1%	0.3%	39.3%	-51.2%	21.1%	17.9%
National (Billions)	29	26	32	31	26	33	30	32	22	34
% Ch	26.1%	-10.2%	23.3%	-3.0%	-15.3%	23.9%	-7.8%	6.0%	-30.5%	54.4%
NONFARM PROPRIETORS INCOME										
Idaho (Millions)	1,249	1,368	1,483	1,563	1,515	1,833	2,139	2,342	2,264	2,337
% Ch	6.7%	9.5%	8.4%	5.4%	-3.1%	21.0%	16.7%	9.5%	-3.3%	3.2%
National (Billions)	275	313	330	350	358	402	432	445	476	510
% Ch	7.5%	13.8%	5.4%	6.1%	2.3%	12.3%	7.5%	3.0%	6.9%	7.4%
DIVIDENDS, RENT & INTEREST										
Idaho (Millions)	2,444	2,587	2,912	3,122	3,254	3,367	3,554	3,925	4,377	4,650
% Ch	2.1%	5.9%	12.5%	7.2%	4.3%	3.5%	5.6%	10.4%	11.5%	6.2%
National (Billions)	758	824	932	987	1,006	999	1,019	1,087	1,164	1,238
% Ch	5.6%	8.8%	13.1%	5.9%	2.0%	-0.8%	2.1%	6.7%	7.1%	6.3%
OTHER LABOR INCOME										
Idaho (Millions)	888	943	1,029	1,143	1,265	1,415	1,591	1,725	1,714	1,728
% Ch	6.0%	6.2%	9.1%	11.2%	10.7%	11.8%	12.5%	8.4%	-0.6%	0.8%
National (Billions)	319	336	361	390	416	450	483	507	497	490
% Ch	6.9%	5.4%	7.2%	8.2%	6.6%	8.2%	7.4%	5.1%	-2.1%	-1.4%
GOVT. TRANSFERS TO INDIV.										
Idaho (Millions)	1,572	1,680	1,812	1,972	2,192	2,442	2,626	2,777	3,012	3,285
% Ch	3.3%	6.9%	7.9%	8.8%	11.2%	11.4%	7.5%	5.8%	8.5%	9.1%
National (Billions)	469	497	540	594	670	752	799	834	886	929
% Ch	4.4%	6.0%	8.7%	10.0%	12.7%	12.2%	6.2%	4.4%	6.2%	4.8%
CONTRIB. FOR SOCIAL INSUR.										
Idaho (Millions)	454	525	587	641	704	756	817	900	949	987
% Ch	4.5%	15.7%	11.8%	9.2%	9.8%	7.5%	8.0%	10.2%	5.5%	4.0%
National (Billions)	157	177	192	204	215	227	238	254	269	280
% Ch	7.8%	12.8%	8.3%	6.3%	5.6%	5.3%	5.0%	6.8%	5.8%	4.3%
RESIDENCE ADJUSTMENT										
Idaho (Millions)	110	127	142	154	169	173	183	204	230	260
% Ch	8.9%	14.7%	12.3%	8.6%	9.2%	2.8%	5.3%	11.8%	12.9%	12.9%

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PERSONAL INCOME -- CURR \$\$

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
WAGE AND SALARY PAYMENTS										
Idaho (Millions)	13,109	13,973	15,041	16,569	16,861	17,117	17,665	18,550	19,511	20,600
% Ch	6.4%	6.6%	7.6%	10.2%	1.8%	1.5%	3.2%	5.0%	5.2%	5.6%
National (Billions)	3,889	4,193	4,470	4,836	4,951	5,024	5,200	5,477	5,767	6,057
% Ch	7.2%	7.8%	6.6%	8.2%	2.4%	1.5%	3.5%	5.3%	5.3%	5.0%
FARM PROPRIETORS INCOME										
Idaho (Millions)	344	580	699	432	587	594	729	839	798	876
% Ch	-41.1%	68.5%	20.5%	-38.2%	35.9%	1.1%	22.7%	15.2%	-4.9%	9.8%
National (Billions)	30	26	28	23	19	13	18	32	35	34
% Ch	-13.3%	-13.9%	8.3%	-18.5%	-15.6%	-32.3%	36.0%	82.8%	8.6%	-1.1%
NONFARM PROPRIETORS INCOME										
Idaho (Millions)	2,408	2,602	3,040	3,256	3,334	3,503	3,729	4,024	4,232	4,418
% Ch	3.0%	8.1%	16.8%	7.1%	2.4%	5.1%	6.4%	7.9%	5.2%	4.4%
National (Billions)	551	598	651	692	709	744	795	858	903	942
% Ch	8.0%	8.5%	8.8%	6.4%	2.4%	4.9%	6.9%	7.9%	5.2%	4.4%
DIVIDENDS, RENT & INTEREST										
Idaho (Millions)	5,044	5,470	5,479	5,977	6,197	6,292	6,372	6,623	7,057	7,642
% Ch	8.5%	8.4%	0.2%	9.1%	3.7%	1.5%	1.3%	3.9%	6.6%	8.3%
National (Billions)	1,327	1,451	1,446	1,599	1,638	1,654	1,673	1,738	1,847	1,996
% Ch	7.2%	9.4%	-0.3%	10.6%	2.4%	1.0%	1.2%	3.9%	6.3%	8.1%
OTHER LABOR INCOME										
Idaho (Millions)	1,681	1,726	1,801	1,941	1,997	2,131	2,298	2,489	2,647	2,764
% Ch	-2.7%	2.6%	4.3%	7.8%	2.9%	6.7%	7.8%	8.3%	6.3%	4.4%
National (Billions)	475	491	510	544	570	611	664	716	760	790
% Ch	-3.0%	3.2%	4.0%	6.7%	4.8%	7.1%	8.7%	7.9%	6.1%	4.0%
GOVT. TRANSFERS TO INDIV.										
Idaho (Millions)	3,394	3,499	3,680	3,938	4,383	4,884	5,177	5,366	5,579	5,888
% Ch	3.3%	3.1%	5.2%	7.0%	11.3%	11.4%	6.0%	3.7%	4.0%	5.5%
National (Billions)	962	984	1,018	1,070	1,170	1,288	1,361	1,411	1,468	1,552
% Ch	3.6%	2.2%	3.5%	5.1%	9.4%	10.0%	5.7%	3.7%	4.0%	5.7%
CONTRIB. FOR SOCIAL INSUR.										
Idaho (Millions)	1,045	1,102	1,181	1,275	1,320	1,368	1,419	1,493	1,573	1,653
% Ch	5.8%	5.5%	7.2%	7.9%	3.5%	3.6%	3.8%	5.2%	5.3%	5.1%
National (Billions)	298	316	337	358	372	385	401	421	442	464
% Ch	6.2%	6.2%	6.7%	6.2%	3.9%	3.6%	3.9%	5.0%	5.0%	4.9%
RESIDENCE ADJUSTMENT										
Idaho (Millions)	292	321	374	476	485	495	529	558	589	622
% Ch	12.3%	10.0%	16.5%	27.3%	1.9%	1.9%	7.0%	5.4%	5.6%	5.6%

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EMPLOYMENT

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
TOTAL NONFARM EMPLOYMENT										
Idaho	333,455	348,271	366,020	385,337	398,119	416,607	436,727	461,162	477,375	492,571
% Ch	1.6%	4.4%	5.1%	5.3%	3.3%	4.6%	4.8%	5.6%	3.5%	3.2%
National (Thousands)	101,953	105,202	107,883	109,404	108,255	108,591	110,692	114,135	117,188	119,589
% Ch	2.6%	3.2%	2.5%	1.4%	-1.1%	0.3%	1.9%	3.1%	2.7%	2.0%
GOODS PRODUCING SECTOR										
Idaho	70,343	75,620	80,312	85,479	86,523	90,496	96,083	103,291	103,403	106,567
% Ch	1.1%	7.5%	6.2%	6.4%	1.2%	4.6%	6.2%	7.5%	0.1%	3.1%
National (Thousands)	24,673	25,123	25,253	24,909	23,749	23,232	23,351	23,906	24,275	24,491
% Ch	0.6%	1.8%	0.5%	-1.4%	-4.7%	-2.2%	0.5%	2.4%	1.5%	0.9%
MANUFACTURING										
Idaho	54,054	58,136	60,573	62,890	63,220	65,752	69,253	71,888	71,043	72,905
% Ch	3.7%	7.6%	4.2%	3.8%	0.5%	4.0%	5.3%	3.8%	-1.2%	2.6%
National (Thousands)	18,998	19,315	19,391	19,075	18,405	18,106	18,076	18,323	18,526	18,494
% Ch	0.3%	1.7%	0.4%	-1.6%	-3.5%	-1.6%	-0.2%	1.4%	1.1%	-0.2%
DURABLE MANUFACTURING										
Idaho	26,830	29,559	32,176	34,064	33,145	34,794	37,499	40,636	42,130	44,068
% Ch	5.1%	10.2%	8.9%	5.9%	-2.7%	5.0%	7.8%	8.4%	3.7%	4.6%
National (Thousands)	11,154	11,363	11,394	11,107	10,568	10,279	10,222	10,448	10,684	10,788
% Ch	-0.4%	1.9%	0.3%	-2.5%	-4.9%	-2.7%	-0.6%	2.2%	2.3%	1.0%
LUMBER & WOOD PRODUCTS										
Idaho	13,379	13,984	14,747	14,897	13,470	14,004	14,408	15,521	14,795	14,446
% Ch	1.1%	4.5%	5.5%	1.0%	-9.6%	4.0%	2.9%	7.7%	-4.7%	-2.4%
National (Thousands)	754	768	757	733	675	680	709	754	769	778
% Ch	4.1%	1.8%	-1.4%	-3.1%	-7.9%	0.7%	4.3%	6.3%	2.0%	1.1%
STONE, CLAY, GLASS, etc.										
Idaho	2,804	2,878	3,276	3,387	3,291	3,199	3,364	3,853	4,220	4,340
% Ch	1.6%	2.7%	13.8%	3.4%	-2.8%	-2.8%	5.2%	14.5%	9.5%	2.8%
National (Thousands)	1,954	1,996	2,014	1,975	1,877	1,843	1,856	1,920	1,977	1,992
% Ch	-1.2%	2.2%	0.9%	-1.9%	-5.0%	-1.8%	0.7%	3.4%	3.0%	0.8%
ELEC & NONELEC MACH										
Idaho	8,422	9,577	11,096	12,596	13,197	14,476	16,271	17,114	18,192	20,265
% Ch	10.1%	13.7%	15.9%	13.5%	4.8%	9.7%	12.4%	5.2%	6.3%	11.4%
National (Thousands)	3,777	3,853	3,869	3,768	3,591	3,457	3,456	3,560	3,692	3,775
% Ch	-2.2%	2.0%	0.4%	-2.6%	-4.7%	-3.7%	0.0%	3.0%	3.7%	2.2%
OTHER DURABLES										
Idaho	2,225	3,120	3,057	3,184	3,186	3,115	3,455	4,148	4,922	5,017
% Ch	19.0%	40.2%	-2.0%	4.2%	0.1%	-2.2%	10.9%	20.0%	18.7%	1.9%
National (Thousands)	4,669	4,747	4,755	4,632	4,426	4,299	4,200	4,214	4,246	4,243
% Ch	0.8%	1.7%	0.2%	-2.6%	-4.4%	-2.9%	-2.3%	0.3%	0.7%	-0.1%

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EMPLOYMENT

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
TOTAL NONFARM EMPLOYMENT										
Idaho	508,744	521,538	539,122	559,255	568,305	564,095	564,687	573,411	583,246	594,621
% Ch	3.3%	2.5%	3.4%	3.7%	1.6%	-0.7%	0.1%	1.5%	1.7%	2.0%
National (Thousands)	122,671	125,851	128,904	131,719	131,925	130,775	131,062	133,525	135,979	137,727
% Ch	2.6%	2.6%	2.4%	2.2%	0.2%	-0.9%	0.2%	1.9%	1.8%	1.3%
GOODS PRODUCING SECTOR										
Idaho	109,914	111,257	113,572	116,067	114,591	107,055	103,189	101,839	101,555	102,694
% Ch	3.1%	1.2%	2.1%	2.2%	-1.3%	-6.6%	-3.6%	-1.3%	-0.3%	1.1%
National (Thousands)	24,958	25,415	25,508	25,675	24,947	23,835	23,323	23,238	23,589	23,828
% Ch	1.9%	1.8%	0.4%	0.7%	-2.8%	-4.5%	-2.1%	-0.4%	1.5%	1.0%
MANUFACTURING										
Idaho	74,614	76,123	76,130	77,190	75,280	70,703	68,617	69,308	70,575	71,321
% Ch	2.3%	2.0%	0.0%	1.4%	-2.5%	-6.1%	-3.0%	1.0%	1.8%	1.1%
National (Thousands)	18,671	18,806	18,555	18,477	17,695	16,720	16,201	15,939	16,149	16,280
% Ch	1.0%	0.7%	-1.3%	-0.4%	-4.2%	-5.5%	-3.1%	-1.6%	1.3%	0.8%
DURABLE MANUFACTURING										
Idaho	45,537	47,178	47,144	47,940	46,274	42,961	40,896	40,971	41,545	41,781
% Ch	3.3%	3.6%	-0.1%	1.7%	-3.5%	-7.2%	-4.8%	0.2%	1.4%	0.6%
National (Thousands)	11,008	11,205	11,112	11,143	10,636	9,904	9,501	9,347	9,532	9,627
% Ch	2.0%	1.8%	-0.8%	0.3%	-4.6%	-6.9%	-4.1%	-1.6%	2.0%	1.0%
LUMBER & WOOD PRODUCTS										
Idaho	14,242	13,737	13,407	12,629	11,490	10,845	10,115	9,753	9,343	8,865
% Ch	-1.4%	-3.5%	-2.4%	-5.8%	-9.0%	-5.6%	-6.7%	-3.6%	-4.2%	-5.1%
National (Thousands)	796	813	835	830	786	766	754	750	763	771
% Ch	2.3%	2.2%	2.6%	-0.5%	-5.3%	-2.5%	-1.7%	-0.4%	1.6%	1.1%
STONE, CLAY, GLASS, etc.										
Idaho	4,415	4,335	4,529	4,484	4,467	4,281	4,147	4,040	3,971	3,967
% Ch	1.7%	-1.8%	4.5%	-1.0%	-0.4%	-4.2%	-3.1%	-2.6%	-1.7%	-0.1%
National (Thousands)	2,031	2,071	2,088	2,119	2,053	1,971	1,913	1,895	1,933	1,957
% Ch	1.9%	2.0%	0.8%	1.5%	-3.1%	-4.0%	-2.9%	-1.0%	2.0%	1.2%
ELEC & NONELEC MACH										
Idaho	21,584	23,309	23,152	24,671	24,470	22,197	21,032	21,449	22,421	23,109
% Ch	6.5%	8.0%	-0.7%	6.6%	-0.8%	-9.3%	-5.2%	2.0%	4.5%	3.1%
National (Thousands)	3,857	3,913	3,808	3,848	3,641	3,242	3,043	2,930	2,983	3,026
% Ch	2.2%	1.5%	-2.7%	1.0%	-5.4%	-11.0%	-6.1%	-3.7%	1.8%	1.4%
OTHER DURABLES										
Idaho	5,297	5,797	6,056	6,156	5,847	5,638	5,602	5,729	5,811	5,840
% Ch	5.6%	9.4%	4.5%	1.7%	-5.0%	-3.6%	-0.6%	2.3%	1.4%	0.5%
National (Thousands)	4,325	4,408	4,382	4,346	4,155	3,925	3,791	3,772	3,853	3,873
% Ch	1.9%	1.9%	-0.6%	-0.8%	-4.4%	-5.5%	-3.4%	-0.5%	2.2%	0.5%

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EMPLOYMENT

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
MANUFACTURING (continued)										
NONDURABLE MANUFACTURING										
Idaho	27,224	28,577	28,396	28,825	30,075	30,958	31,754	31,252	28,913	28,837
% Ch	2.4%	5.0%	-0.6%	1.5%	4.3%	2.9%	2.6%	-1.6%	-7.5%	-0.3%
National (Thousands)	7,845	7,952	7,997	7,968	7,837	7,827	7,854	7,875	7,842	7,706
% Ch	1.2%	1.4%	0.6%	-0.4%	-1.6%	-0.1%	0.4%	0.3%	-0.4%	-1.7%
FOOD PROCESSING										
Idaho	16,099	17,334	16,984	16,806	17,488	17,820	18,564	18,020	17,505	17,465
% Ch	4.5%	7.7%	-2.0%	-1.0%	4.1%	1.9%	4.2%	-2.9%	-2.9%	-0.2%
National (Thousands)	1,617	1,626	1,645	1,661	1,667	1,662	1,680	1,679	1,693	1,692
% Ch	0.6%	0.6%	1.1%	1.0%	0.4%	-0.3%	1.1%	-0.1%	0.8%	0.0%
CANNED, CURED, & FROZEN										
Idaho	10,612	11,331	11,225	11,065	11,747	12,094	12,532	11,706	10,865	10,680
% Ch	7.5%	6.8%	-0.9%	-1.4%	6.2%	3.0%	3.6%	-6.6%	-7.2%	-1.7%
OTHER FOOD PROCESSING										
Idaho	5,487	6,003	5,759	5,742	5,741	5,725	6,032	6,314	6,641	6,785
% Ch	-1.0%	9.4%	-4.1%	-0.3%	0.0%	-0.3%	5.4%	4.7%	5.2%	2.2%
PAPER, PRINTING, PUBLISH.										
Idaho	6,066	6,373	6,592	6,976	7,179	7,172	7,144	7,089	7,118	7,191
% Ch	2.0%	5.1%	3.4%	5.8%	2.9%	-0.1%	-0.4%	-0.8%	0.4%	1.0%
National (Thousands)	2,177	2,232	2,251	2,266	2,223	2,197	2,209	2,230	2,239	2,224
% Ch	2.5%	2.5%	0.9%	0.6%	-1.9%	-1.2%	0.5%	0.9%	0.4%	-0.6%
CHEMICALS										
Idaho	3,273	3,536	3,523	3,554	3,903	4,277	4,250	4,135	2,345	2,333
% Ch	-1.9%	8.0%	-0.3%	0.9%	9.8%	9.6%	-0.6%	-2.7%	-43.3%	-0.5%
National (Thousands)	1,025	1,057	1,074	1,086	1,076	1,084	1,081	1,057	1,038	1,034
% Ch	0.4%	3.2%	1.6%	1.1%	-0.9%	0.8%	-0.3%	-2.2%	-1.8%	-0.4%
OTHER NONDURABLES										
Idaho	1,786	1,335	1,297	1,488	1,505	1,690	1,795	2,008	1,944	1,848
% Ch	-5.3%	-25.3%	-2.8%	14.8%	1.1%	12.3%	6.2%	11.9%	-3.2%	-4.9%
National (Thousands)	3,026	3,037	3,027	2,955	2,871	2,883	2,885	2,910	2,872	2,756
% Ch	0.8%	0.3%	-0.3%	-2.4%	-2.9%	0.4%	0.1%	0.9%	-1.3%	-4.0%
MINING										
Idaho	2,568	3,280	3,673	3,873	3,086	2,605	2,199	2,419	2,726	3,063
%Ch	-11.2%	27.7%	12.0%	5.4%	-20.3%	-15.6%	-15.6%	10.0%	12.7%	12.4%
National (Thousands)	717	712	691	709	689	634	609	601	581	580
%Ch	-7.7%	-0.7%	-3.0%	2.6%	-2.8%	-8.0%	-3.9%	-1.5%	-3.3%	-0.2%
METAL MINING										
Idaho	1,595	2,140	2,612	2,754	1,994	1,453	1,007	1,211	1,593	1,848
%Ch	-16.9%	34.2%	22.1%	5.5%	-27.6%	-27.1%	-30.7%	20.2%	31.6%	16.0%
OTHER MINING										
Idaho	973	1,140	1,061	1,119	1,092	1,152	1,192	1,208	1,133	1,214
% Ch	0.0%	17.2%	-6.9%	5.4%	-2.4%	5.5%	3.5%	1.4%	-6.2%	7.2%

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EMPLOYMENT

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
MANUFACTURING (continued)										
NONDURABLE MANUFACTURING										
Idaho	29,076	28,946	28,987	29,250	29,006	27,742	27,721	28,337	29,030	29,540
% Ch	0.8%	-0.4%	0.1%	0.9%	-0.8%	-4.4%	-0.1%	2.2%	2.4%	1.8%
National (Thousands)	7,663	7,600	7,443	7,334	7,059	6,815	6,700	6,593	6,617	6,652
% Ch	-0.6%	-0.8%	-2.1%	-1.5%	-3.7%	-3.5%	-1.7%	-1.6%	0.4%	0.5%
FOOD PROCESSING										
Idaho	17,659	17,288	17,291	17,251	17,341	16,891	16,806	17,082	17,290	17,472
% Ch	1.1%	-2.1%	0.0%	-0.2%	0.5%	-2.6%	-0.5%	1.6%	1.2%	1.1%
National (Thousands)	1,684	1,684	1,683	1,688	1,690	1,688	1,690	1,688	1,707	1,720
% Ch	-0.4%	0.0%	-0.1%	0.3%	0.2%	-0.2%	0.1%	-0.1%	1.1%	0.8%
CANNED, CURED, & FROZEN										
Idaho	10,551	9,994	9,957	9,767	9,566	9,253	9,112	9,148	9,233	9,338
% Ch	-1.2%	-5.3%	-0.4%	-1.9%	-2.1%	-3.3%	-1.5%	0.4%	0.9%	1.1%
OTHER FOOD PROCESSING										
Idaho	7,108	7,294	7,334	7,484	7,774	7,638	7,694	7,934	8,057	8,133
% Ch	4.8%	2.6%	0.5%	2.0%	3.9%	-1.7%	0.7%	3.1%	1.6%	0.9%
PAPER, PRINTING, PUBLISH.										
Idaho	7,216	7,441	7,393	7,637	7,347	6,978	7,129	7,395	7,790	8,061
% Ch	0.3%	3.1%	-0.6%	3.3%	-3.8%	-5.0%	2.2%	3.7%	5.3%	3.5%
National (Thousands)	2,235	2,242	2,220	2,204	2,125	2,024	1,994	1,983	2,027	2,074
% Ch	0.5%	0.3%	-1.0%	-0.7%	-3.6%	-4.8%	-1.5%	-0.6%	2.2%	2.3%
CHEMICALS										
Idaho	2,285	2,357	2,300	2,331	2,323	1,961	1,913	1,898	1,907	1,898
% Ch	-2.1%	3.2%	-2.4%	1.3%	-0.3%	-15.6%	-2.5%	-0.8%	0.5%	-0.5%
National (Thousands)	1,036	1,043	1,035	1,034	1,022	1,008	984	936	918	916
% Ch	0.2%	0.7%	-0.7%	-0.1%	-1.2%	-1.4%	-2.4%	-4.9%	-1.9%	-0.2%
OTHER NONDURABLES										
Idaho	1,917	1,860	2,003	2,031	1,996	1,912	1,873	1,963	2,043	2,110
% Ch	3.7%	-3.0%	7.7%	1.4%	-1.7%	-4.2%	-2.0%	4.8%	4.1%	3.2%
National (Thousands)	2,708	2,631	2,504	2,408	2,222	2,096	2,032	1,986	1,965	1,942
% Ch	-1.8%	-2.8%	-4.8%	-3.8%	-7.7%	-5.7%	-3.0%	-2.2%	-1.1%	-1.2%
MINING										
Idaho	3,099	2,904	2,583	2,425	2,037	1,756	1,609	1,642	1,454	1,467
%Ch	1.2%	-6.3%	-11.1%	-6.1%	-16.0%	-13.8%	-8.4%	2.0%	-11.4%	0.9%
National (Thousands)	597	590	539	543	565	557	564	548	512	496
%Ch	3.0%	-1.1%	-8.7%	0.7%	4.0%	-1.3%	1.3%	-3.0%	-6.4%	-3.2%
METAL MINING										
Idaho	1,843	1,693	1,428	1,223	824	562	473	506	398	417
%Ch	-0.3%	-8.1%	-15.7%	-14.3%	-32.7%	-31.8%	-15.8%	7.0%	-21.4%	4.7%
OTHER MINING										
Idaho	1,255	1,211	1,155	1,202	1,213	1,194	1,136	1,135	1,056	1,051
% Ch	3.4%	-3.6%	-4.6%	4.0%	1.0%	-1.6%	-4.9%	0.0%	-7.0%	-0.5%

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EMPLOYMENT

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
GOODS PRODUCING (continued)										
CONSTRUCTION										
Idaho	13,721	14,205	16,067	18,716	20,216	22,139	24,631	28,984	29,634	30,599
% Ch	-6.1%	3.5%	13.1%	16.5%	8.0%	9.5%	11.3%	17.7%	2.2%	3.3%
National (Thousands)	4,958	5,096	5,171	5,125	4,655	4,492	4,665	4,982	5,168	5,418
% Ch	3.1%	2.8%	1.5%	-0.9%	-9.2%	-3.5%	3.9%	6.8%	3.7%	4.8%
SERVICE PRODUCING SECTOR										
Idaho	263,112	272,651	285,708	299,858	311,597	326,111	340,644	357,871	373,972	386,004
% Ch	1.7%	3.6%	4.8%	5.0%	3.9%	4.7%	4.5%	5.1%	4.5%	3.2%
National (Thousands)	77,280	80,079	82,630	84,495	84,506	85,359	87,341	90,229	92,913	95,098
% Ch	3.3%	3.6%	3.2%	2.3%	0.0%	1.0%	2.3%	3.3%	3.0%	2.4%
FINANCE, INSUR, REAL ESTATE										
Idaho	19,129	19,270	19,289	19,837	20,628	21,459	22,757	24,101	24,967	25,175
% Ch	1.3%	0.7%	0.1%	2.8%	4.0%	4.0%	6.0%	5.9%	3.6%	0.8%
National (Thousands)	6,533	6,629	6,669	6,709	6,647	6,602	6,757	6,895	6,808	6,912
% Ch	4.2%	1.5%	0.6%	0.6%	-0.9%	-0.7%	2.3%	2.0%	-1.3%	1.5%
TRANS, COMMUN, PUBLIC UTIL										
Idaho	17,920	18,487	19,257	19,788	20,031	20,342	20,879	21,876	22,704	23,405
% Ch	-2.0%	3.2%	4.2%	2.8%	1.2%	1.6%	2.6%	4.8%	3.8%	3.1%
National (Thousands)	5,362	5,512	5,614	5,776	5,755	5,718	5,811	5,985	6,134	6,254
% Ch	2.2%	2.8%	1.9%	2.9%	-0.4%	-0.6%	1.6%	3.0%	2.5%	2.0%
TRADE										
Idaho	84,896	87,345	93,125	97,087	100,981	105,893	109,374	116,691	121,402	125,178
% Ch	1.2%	2.9%	6.6%	4.3%	4.0%	4.9%	3.3%	6.7%	4.0%	3.1%
National (Thousands)	24,269	25,055	25,664	25,774	25,363	25,352	25,753	26,664	27,564	28,076
% Ch	2.7%	3.2%	2.4%	0.4%	-1.6%	0.0%	1.6%	3.5%	3.4%	1.9%
SERVICES										
Idaho	67,956	71,913	76,161	81,750	85,622	90,396	97,221	102,832	110,105	115,976
% Ch	2.0%	5.8%	5.9%	7.3%	4.7%	5.6%	7.6%	5.8%	7.1%	5.3%
National (Thousands)	24,109	25,500	26,904	27,930	28,335	29,047	30,193	31,575	33,115	34,455
% Ch	5.0%	5.8%	5.5%	3.8%	1.5%	2.5%	3.9%	4.6%	4.9%	4.0%
STATE & LOCAL GOVERNMENT										
Idaho	61,123	63,159	65,185	68,339	71,423	74,561	76,831	78,874	81,681	83,373
% Ch	3.4%	3.3%	3.2%	4.8%	4.5%	4.4%	3.0%	2.7%	3.6%	2.1%
National (Thousands)	14,065	14,411	14,791	15,220	15,439	15,672	15,913	16,241	16,472	16,647
% Ch	2.0%	2.5%	2.6%	2.9%	1.4%	1.5%	1.5%	2.1%	1.4%	1.1%
Idaho Education	33,423	34,575	35,604	37,268	38,840	40,453	42,014	42,721	44,846	45,840
% Ch	1.8%	3.4%	3.0%	4.7%	4.2%	4.2%	3.9%	1.7%	5.0%	2.2%
Idaho Other	27,701	28,583	29,581	31,071	32,583	34,108	34,817	36,153	36,835	37,533
% Ch	5.4%	3.2%	3.5%	5.0%	4.9%	4.7%	2.1%	3.8%	1.9%	1.9%
FEDERAL GOVERNMENT										
Idaho	12,088	12,477	12,692	13,057	12,911	13,460	13,583	13,496	13,112	12,897
% Ch	2.2%	3.2%	1.7%	2.9%	-1.1%	4.3%	0.9%	-0.6%	-2.8%	-1.6%
National (Thousands)	2,943	2,972	2,989	3,086	2,967	2,968	2,914	2,870	2,821	2,755
% Ch	1.5%	1.0%	0.6%	3.3%	-3.9%	0.0%	-1.8%	-1.5%	-1.7%	-2.3%

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EMPLOYMENT

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
GOODS PRODUCING (continued)										
CONSTRUCTION										
Idaho	32,202	32,230	34,859	36,453	37,273	34,596	32,963	30,889	29,526	29,906
% Ch	5.2%	0.1%	8.2%	4.6%	2.3%	-7.2%	-4.7%	-6.3%	-4.4%	1.3%
National (Thousands)	5,691	6,019	6,415	6,655	6,688	6,558	6,557	6,751	6,927	7,052
% Ch	5.0%	5.8%	6.6%	3.7%	0.5%	-1.9%	0.0%	2.9%	2.6%	1.8%
SERVICE PRODUCING SECTOR										
Idaho	398,830	410,281	425,550	443,188	453,714	457,040	461,498	471,573	481,691	491,927
% Ch	3.3%	2.9%	3.7%	4.1%	2.4%	0.7%	1.0%	2.2%	2.1%	2.1%
National (Thousands)	97,713	100,437	103,396	106,044	106,978	106,940	107,739	110,287	112,390	113,899
% Ch	2.7%	2.8%	2.9%	2.6%	0.9%	0.0%	0.7%	2.4%	1.9%	1.3%
FINANCE, INSUR, REAL ESTATE										
Idaho	25,395	22,934	23,567	23,503	24,086	24,510	24,753	24,783	24,904	25,062
% Ch	0.9%	-9.7%	2.8%	-0.3%	2.5%	1.8%	1.0%	0.1%	0.5%	0.6%
National (Thousands)	7,108	7,388	7,555	7,578	7,713	7,760	7,902	8,128	8,282	8,310
% Ch	2.8%	3.9%	2.3%	0.3%	1.8%	0.6%	1.8%	2.9%	1.9%	0.3%
TRANS, COMMUN, PUBLIC UTIL										
Idaho	24,247	25,497	26,898	27,946	28,138	27,499	27,419	27,887	28,334	28,732
% Ch	3.6%	5.2%	5.5%	3.9%	0.7%	-2.3%	-0.3%	1.7%	1.6%	1.4%
National (Thousands)	6,407	6,609	6,834	7,032	7,067	6,774	6,656	6,767	6,921	7,069
% Ch	2.4%	3.2%	3.4%	2.9%	0.5%	-4.1%	-1.7%	1.7%	2.3%	2.1%
TRADE										
Idaho	128,994	132,593	136,243	141,086	140,979	139,899	141,214	145,469	149,652	154,097
% Ch	3.0%	2.8%	2.8%	3.6%	-0.1%	-0.8%	0.9%	3.0%	2.9%	3.0%
National (Thousands)	28,617	29,100	29,760	30,279	30,294	29,976	29,918	30,218	30,237	30,339
% Ch	1.9%	1.7%	2.3%	1.7%	0.0%	-1.0%	-0.2%	1.0%	0.1%	0.3%
SERVICES										
Idaho	122,620	128,741	135,732	144,989	150,341	153,063	155,558	160,733	165,896	170,991
% Ch	5.7%	5.0%	5.4%	6.8%	3.7%	1.8%	1.6%	3.3%	3.2%	3.1%
National (Thousands)	36,037	37,529	39,051	40,459	40,977	41,182	41,945	43,804	45,104	45,939
% Ch	4.6%	4.1%	4.1%	3.6%	1.3%	0.5%	1.9%	4.4%	3.0%	1.9%
STATE & LOCAL GOVERNMENT										
Idaho	84,534	87,709	90,267	92,234	96,888	98,703	99,109	99,261	99,512	99,728
% Ch	1.4%	3.8%	2.9%	2.2%	5.0%	1.9%	0.4%	0.2%	0.3%	0.2%
National (Thousands)	16,846	17,125	17,529	17,916	18,309	18,627	18,631	18,660	19,132	19,523
% Ch	1.2%	1.7%	2.4%	2.2%	2.2%	1.7%	0.0%	0.2%	2.5%	2.0%
Idaho Education	46,015	47,873	49,378	50,584	51,649	52,285	52,639	52,740	52,915	53,033
% Ch	0.4%	4.0%	3.1%	2.4%	2.1%	1.2%	0.7%	0.2%	0.3%	0.2%
Idaho Other	38,519	39,837	40,890	41,649	45,239	46,417	46,471	46,521	46,597	46,695
% Ch	2.6%	3.4%	2.6%	1.9%	8.6%	2.6%	0.1%	0.1%	0.2%	0.2%
FEDERAL GOVERNMENT										
Idaho	13,040	12,807	12,842	13,430	13,282	13,366	13,444	13,439	13,394	13,317
% Ch	1.1%	-1.8%	0.3%	4.6%	-1.1%	0.6%	0.6%	0.0%	-0.3%	-0.6%
National (Thousands)	2,698	2,685	2,667	2,780	2,618	2,621	2,688	2,709	2,715	2,719
% Ch	-2.0%	-0.5%	-0.7%	4.2%	-5.8%	0.1%	2.5%	0.8%	0.2%	0.2%

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MISCELLANEOUS

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS										
Idaho (Millions)	423.0	456.2	524.2	553.0	590.9	667.9	723.9	766.2	835.6	910.5
% Ch	-5.6%	7.8%	14.9%	5.5%	6.8%	13.0%	8.4%	5.8%	9.1%	9.0%
National (Billions)	83.9	91.6	98.3	111.4	131.6	149.1	162.6	174.5	184.5	190.4
% Ch	-4.3%	9.2%	7.3%	13.3%	18.1%	13.3%	9.1%	7.3%	5.7%	3.2%
SELECTED CHAIN-WEIGHTED DEFL.										
Gross Domestic Product	77.6	80.2	83.3	86.5	89.7	91.8	94.1	96.0	98.1	100.0
% Ch	3.0%	3.4%	3.8%	3.9%	3.6%	2.4%	2.4%	2.1%	2.2%	1.9%
Consumption Expenditures	75.5	78.4	81.9	85.6	88.9	91.6	93.8	95.7	97.9	100.0
% Ch	3.8%	3.9%	4.4%	4.6%	3.8%	3.1%	2.4%	2.0%	2.3%	2.1%
Durable Goods	92.2	93.5	95.1	96.0	97.4	98.3	99.1	100.6	101.1	100.0
% Ch	2.8%	1.4%	1.8%	0.9%	1.4%	0.9%	0.8%	1.5%	0.5%	-1.0%
Nondurable Goods	79.7	82.3	86.3	91.0	93.8	95.2	96.1	96.8	97.9	100.0
% Ch	3.4%	3.4%	4.8%	5.5%	3.1%	1.5%	1.0%	0.7%	1.1%	2.1%
Services	70.2	73.6	77.1	80.9	84.8	88.5	91.6	94.2	97.3	100.0
% Ch	4.3%	4.9%	4.8%	5.0%	4.8%	4.3%	3.5%	2.8%	3.3%	2.8%
Cons. Price Index (1982-84)	113.6	118.3	123.9	130.7	136.2	140.3	144.5	148.2	152.4	156.9
% Ch	3.6%	4.1%	4.8%	5.4%	4.2%	3.0%	3.0%	2.6%	2.8%	2.9%
SELECTED INTEREST RATES										
Federal Funds	6.7%	7.6%	9.2%	8.1%	5.7%	3.5%	3.0%	4.2%	5.8%	5.3%
Prime	8.2%	9.3%	10.9%	10.0%	8.5%	6.3%	6.0%	7.1%	8.8%	8.3%
Existing Home Mortgage	9.3%	9.3%	10.1%	10.0%	9.3%	8.1%	7.2%	7.5%	7.8%	7.7%
U.S. Govt. 3-Month Bills	5.8%	6.6%	8.1%	7.5%	5.4%	3.4%	3.0%	4.2%	5.5%	5.0%
SELECTED US PRODUCTION INDICES										
Lumber & Wood Products	103.8	101.8	98.5	96.0	89.4	95.5	94.6	97.8	98.9	100.0
% Ch	15.1%	-1.9%	-3.3%	-2.5%	-6.9%	6.8%	-0.9%	3.4%	1.1%	1.1%
Office & Computer Equip.	17.1	21.2	22.1	23.8	24.7	31.0	38.3	48.6	68.9	100.0
% Ch	28.2%	23.6%	4.2%	7.9%	3.8%	25.6%	23.6%	26.8%	41.7%	45.2%
Electrical Machinery	34.8	37.7	38.7	40.8	41.7	47.1	52.2	62.8	79.8	100.0
% Ch	7.8%	8.3%	2.7%	5.4%	2.3%	13.0%	10.8%	20.4%	27.0%	25.3%
Electronic Components	14.5	16.6	18.2	20.7	23.6	28.5	32.9	43.8	67.8	100.0
% Ch	26.5%	14.3%	10.1%	13.4%	14.0%	21.1%	15.3%	33.1%	54.8%	47.5%
Food	87.5	89.9	89.9	92.3	94.0	95.6	97.7	98.8	101.0	100.0
% Ch	2.3%	2.7%	0.0%	2.8%	1.8%	1.7%	2.2%	1.1%	2.2%	-1.0%
Paper	89.5	93.2	94.4	94.3	94.2	96.5	97.5	101.7	103.5	100.0
% Ch	3.5%	4.1%	1.3%	-0.1%	-0.1%	2.4%	1.0%	4.4%	1.8%	-3.4%
Agricultural Chemicals	83.2	87.8	93.1	97.1	93.8	97.8	98.6	98.4	98.1	100.0
% Ch	9.3%	5.5%	6.0%	4.3%	-3.4%	4.2%	0.8%	-0.2%	-0.4%	2.0%
Metals & Minerals Mining	72.0	80.2	86.0	89.4	85.5	90.6	91.4	95.4	98.0	100.0
% Ch	11.0%	11.4%	7.2%	4.0%	-4.4%	5.9%	0.9%	4.4%	2.7%	2.0%

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APRIL 2003

MISCELLANEOUS

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS										
Idaho (Millions)	907.1	951.3	1,030.5	1,110.5	1,240.9	1,365.1	1,488.0	1,581.2	1,654.2	1,736.1
% Ch	-0.4%	4.9%	8.3%	7.8%	11.7%	10.0%	9.0%	6.3%	4.6%	4.9%
National (Billions)	196.8	210.3	231.0	247.5	277.4	305.7	334.6	356.2	373.1	392.1
% Ch	3.3%	6.8%	9.9%	7.1%	12.1%	10.2%	9.5%	6.4%	4.7%	5.1%
SELECTED CHAIN-WEIGHTED DEFL.										
Gross Domestic Product	101.9	103.2	104.7	106.9	109.4	110.6	112.5	114.6	116.9	119.3
% Ch	1.9%	1.2%	1.4%	2.1%	2.4%	1.1%	1.7%	1.9%	2.0%	2.1%
Consumption Expenditures	101.9	103.0	104.7	107.4	109.6	111.1	113.2	115.0	117.3	119.9
% Ch	1.9%	1.1%	1.6%	2.5%	2.0%	1.4%	2.0%	1.5%	2.0%	2.2%
Durable Goods	97.7	95.4	93.0	91.5	89.7	87.2	85.3	84.6	84.4	84.1
% Ch	-2.3%	-2.4%	-2.5%	-1.7%	-1.9%	-2.8%	-2.2%	-0.7%	-0.3%	-0.3%
Nondurable Goods	101.3	101.3	103.7	107.6	109.2	109.6	111.7	112.2	114.0	116.0
% Ch	1.3%	0.0%	2.3%	3.8%	1.5%	0.4%	1.9%	0.4%	1.6%	1.8%
Services	103.1	105.5	107.8	110.8	114.3	117.4	120.7	123.8	127.1	130.7
% Ch	3.1%	2.3%	2.2%	2.8%	3.1%	2.7%	2.8%	2.5%	2.7%	2.9%
Cons. Price Index (1982-84)	160.5	163.0	166.6	172.2	177.1	179.9	184.1	187.1	191.0	195.3
% Ch	2.3%	1.5%	2.2%	3.4%	2.8%	1.6%	2.3%	1.6%	2.1%	2.3%
SELECTED INTEREST RATES										
Federal Funds	5.5%	5.4%	5.0%	6.2%	3.9%	1.7%	1.5%	3.1%	4.2%	4.9%
Prime	8.4%	8.4%	8.0%	9.2%	6.9%	4.7%	4.5%	6.1%	7.2%	7.9%
Existing Home Mortgage	7.7%	7.1%	7.3%	8.0%	7.0%	6.5%	6.1%	7.0%	7.7%	7.9%
U.S. Govt. 3-Month Bills	5.1%	4.8%	4.6%	5.8%	3.4%	1.6%	1.3%	2.8%	3.8%	4.5%
SELECTED US PRODUCTION INDICES										
Lumber & Wood Products	99.9	103.2	106.0	104.4	97.0	96.8	93.7	92.2	91.3	90.7
% Ch	-0.1%	3.2%	2.7%	-1.5%	-7.1%	-0.2%	-3.2%	-1.6%	-1.0%	-0.7%
Office & Computer Equip.	147.0	206.6	259.7	303.3	297.0	340.1	428.1	579.3	706.3	783.1
% Ch	47.0%	40.6%	25.7%	16.8%	-2.1%	14.5%	25.9%	35.3%	21.9%	10.9%
Electrical Machinery	132.8	166.3	218.0	294.9	296.1	284.7	313.2	412.5	527.5	584.0
% Ch	32.8%	25.2%	31.1%	35.3%	0.4%	-3.9%	10.0%	31.7%	27.9%	10.7%
Electronic Components	159.7	241.5	390.7	627.6	686.2	762.0	912.5	1,259.7	1,667.1	1,891.5
% Ch	59.7%	51.3%	61.7%	60.7%	9.3%	11.1%	19.8%	38.0%	32.3%	13.5%
Food	102.6	106.4	106.5	107.5	106.1	106.6	107.7	111.8	114.7	116.9
% Ch	2.6%	3.8%	0.1%	0.9%	-1.3%	0.4%	1.0%	3.8%	2.6%	1.9%
Paper	102.1	103.1	104.3	102.6	97.2	96.4	98.9	102.9	106.5	108.0
% Ch	2.1%	1.0%	1.1%	-1.6%	-5.3%	-0.9%	2.6%	4.0%	3.5%	1.4%
Agricultural Chemicals	103.8	106.3	95.2	91.2	83.4	80.5	80.2	82.4	84.7	86.0
% Ch	3.8%	2.4%	-10.4%	-4.2%	-8.5%	-3.6%	-0.3%	2.7%	2.8%	1.6%
Metals & Minerals Mining	104.6	107.5	105.5	105.5	103.1	99.7	98.7	100.4	104.0	107.4
% Ch	4.6%	2.7%	-1.9%	0.0%	-2.3%	-3.4%	-0.9%	1.7%	3.6%	3.3%

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

APRIL 2003

DEMOGRAPHICS

	2000				2001				2002			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
POPULATION												
Idaho (Thousands)	1,290.5	1,296.4	1,302.1	1,307.6	1,313.3	1,318.5	1,323.0	1,327.8	1,336.4	1,339.4	1,342.8	1,345.4
% Ch	1.9%	1.8%	1.8%	1.7%	1.8%	1.6%	1.4%	1.5%	2.6%	0.9%	1.0%	0.8%
National (Millions)	281.7	282.4	283.3	284.1	284.8	285.5	286.4	287.2	287.8	288.6	289.4	290.0
% Ch	1.0%	1.1%	1.2%	1.1%	1.0%	1.1%	1.2%	1.1%	0.9%	1.1%	1.2%	0.8%
BIRTHS												
Idaho (Thousands)	20.083	20.239	20.374	20.521	20.569	20.658	20.719	20.792	20.117	20.115	20.125	20.108
% Ch	-0.9%	3.1%	2.7%	2.9%	0.9%	1.7%	1.2%	1.4%	-12.4%	0.0%	0.2%	-0.3%
National (Thousands)	3,872	3,872	3,872	3,873	3,874	3,875	3,877	3,879	3,881	3,883	3,886	3,890
% Ch	-0.1%	-0.1%	0.0%	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.3%	0.4%
DEATHS												
Idaho (Thousands)	9.448	9.509	9.567	9.627	9.753	9.793	9.830	9.868	9.797	9.824	9.852	9.876
% Ch	-6.7%	2.6%	2.5%	2.5%	5.3%	1.7%	1.5%	1.6%	-2.8%	1.1%	1.2%	1.0%
National (Thousands)	2,415	2,421	2,427	2,433	2,438	2,443	2,449	2,454	2,459	2,465	2,470	2,475
% Ch	1.1%	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.8%	0.8%
NET MIGRATION												
Idaho (Thousands)	13.089	12.665	11.975	11.229	12.026	9.936	7.111	8.276	24.117	1.792	3.191	0.277
HOUSING												
HOUSING STARTS												
Idaho	11,437	11,347	11,868	11,488	13,130	12,839	11,651	11,412	11,478	11,906	13,035	16,479
% Ch	41.0%	-3.1%	19.7%	-12.2%	70.6%	-8.6%	-32.2%	-8.0%	2.4%	15.8%	43.6%	155.5%
National (Millions)	1.659	1.587	1.504	1.544	1.611	1.624	1.603	1.573	1.725	1.667	1.697	1.756
% Ch	1.1%	-16.3%	-19.3%	11.2%	18.6%	3.3%	-5.2%	-7.3%	44.9%	-12.9%	7.5%	14.6%
SINGLE UNITS												
Idaho	10,399	9,948	10,656	10,564	10,740	10,888	10,175	9,972	9,970	10,483	11,312	12,957
% Ch	66.5%	-16.2%	31.6%	-3.4%	6.8%	5.6%	-23.7%	-7.7%	-0.1%	22.2%	35.6%	72.2%
National (Millions)	1.279	1.236	1.189	1.224	1.263	1.292	1.277	1.258	1.371	1.328	1.340	1.419
% Ch	-15.9%	-12.8%	-14.2%	12.3%	13.4%	9.4%	-4.6%	-5.9%	41.4%	-12.0%	3.6%	25.9%
MULTIPLE UNITS												
Idaho	1,038	1,399	1,213	924	2,390	1,951	1,476	1,439	1,508	1,423	1,723	3,522
% Ch	-64.1%	229.8%	-43.6%	-66.3%	4377.5%	-55.6%	-67.2%	-9.6%	20.6%	-20.7%	114.6%	#####
National (Millions)	0.380	0.351	0.314	0.320	0.348	0.332	0.326	0.315	0.354	0.338	0.357	0.337
% Ch	101.2%	-27.5%	-35.7%	7.0%	40.5%	-16.8%	-7.8%	-12.5%	59.5%	-16.6%	24.0%	-20.9%
HOUSING STOCK												
Idaho (Thousands)	417.3	419.8	422.5	425.0	428.0	430.9	433.5	436.0	438.5	441.2	444.1	447.9
% Ch	2.5%	2.4%	2.6%	2.4%	2.8%	2.7%	2.4%	2.4%	2.4%	2.4%	2.7%	3.5%

National Variables Forecast by GLOBAL INSIGHT
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DEMOGRAPHICS

	2003				2004				2005			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
POPULATION	1,349.2	1,353.2	1,357.0	1,360.8	1,364.2	1,367.5	1,370.9	1,374.2	1,377.5	1,380.9	1,384.4	1,387.9
Idaho (Thousands)	1.1%	1.2%	1.1%	1.1%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
% Ch	290.7	291.4	292.0	292.7	293.3	293.9	294.6	295.2	295.8	296.4	297.1	297.7
National (Millions)	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.8%	0.8%
% Ch												
BIRTHS	20.144	20.185	20.236	20.287	20.323	20.355	20.393	20.424	20.455	20.492	20.532	20.572
Idaho (Thousands)	0.7%	0.8%	1.0%	1.0%	0.7%	0.6%	0.7%	0.6%	0.6%	0.7%	0.8%	0.8%
% Ch	3,894	3,898	3,903	3,909	3,915	3,921	3,928	3,935	3,943	3,951	3,959	3,968
National (Thousands)	0.4%	0.4%	0.5%	0.6%	0.6%	0.6%	0.7%	0.8%	0.8%	0.8%	0.8%	0.9%
% Ch												
DEATHS	9.907	9.939	9.970	10.001	10.030	10.058	10.086	10.114	10.142	10.171	10.200	10.229
Idaho (Thousands)	1.3%	1.3%	1.2%	1.3%	1.2%	1.1%	1.2%	1.1%	1.1%	1.1%	1.2%	1.2%
% Ch	2,480	2,485	2,490	2,495	2,499	2,504	2,510	2,515	2,520	2,525	2,531	2,536
National (Thousands)	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	1.0%	0.8%
% Ch												
NET MIGRATION	4.964	5.643	4.932	5.015	3.315	2.818	3.439	2.785	2.698	3.337	3.703	3.690
Idaho (Thousands)												
HOUSING												
HOUSING STARTS	13,599	13,112	12,745	12,427	12,085	11,975	11,781	11,549	11,375	11,194	11,086	10,991
Idaho	-53.6%	-13.6%	-10.7%	-9.6%	-10.6%	-3.6%	-6.3%	-7.7%	-5.9%	-6.2%	-3.8%	-3.4%
% Ch	1.774	1.687	1.633	1.594	1.571	1.574	1.562	1.561	1.560	1.559	1.561	1.570
National (Millions)	4.1%	-18.2%	-12.1%	-9.3%	-5.6%	0.8%	-3.0%	-0.3%	-0.2%	-0.4%	0.5%	2.5%
% Ch												
SINGLE UNITS	12,284	11,847	11,520	11,244	10,935	10,824	10,664	10,492	10,379	10,252	10,174	10,085
Idaho	-19.2%	-13.5%	-10.6%	-9.3%	-10.5%	-4.0%	-5.8%	-6.3%	-4.2%	-4.8%	-3.0%	-3.4%
% Ch	1.457	1.393	1.352	1.333	1.316	1.303	1.291	1.286	1.280	1.272	1.266	1.266
National (Millions)	11.0%	-16.4%	-11.3%	-5.3%	-5.1%	-3.9%	-3.7%	-1.6%	-1.9%	-2.3%	-2.0%	0.0%
% Ch												
MULTIPLE UNITS	1,315	1,265	1,225	1,183	1,150	1,150	1,117	1,058	996	942	912	906
Idaho	-98.1%	-14.3%	-12.1%	-13.1%	-10.7%	0.2%	-11.1%	-19.7%	-21.5%	-20.0%	-12.2%	-2.6%
% Ch	0.317	0.294	0.281	0.260	0.255	0.271	0.271	0.275	0.280	0.286	0.295	0.304
National (Millions)	-21.3%	-26.3%	-16.0%	-26.7%	-8.0%	27.7%	0.2%	6.0%	8.0%	8.6%	12.7%	13.4%
% Ch												
HOUSING STOCK												
Idaho (Thousands)	451.0	453.9	456.8	459.5	462.2	464.8	467.4	470.0	472.5	474.9	477.3	479.7
% Ch	2.8%	2.6%	2.5%	2.4%	2.4%	2.3%	2.3%	2.2%	2.1%	2.1%	2.0%	2.0%

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OUTPUT, INCOME, & WAGES

	2000				2001				2002			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GROSS DOM. PRODUCT (Billions)												
Current Dollars	9,650	9,821	9,875	9,954	10,028	10,050	10,098	10,153	10,313	10,377	10,506	10,586
% Ch	5.7%	7.3%	2.2%	3.2%	3.0%	0.9%	1.9%	2.2%	6.5%	2.5%	5.1%	3.1%
1996 Chain-Weighted	9,097	9,206	9,219	9,244	9,230	9,193	9,186	9,249	9,363	9,392	9,486	9,519
% Ch	2.6%	4.8%	0.6%	1.1%	-0.6%	-1.6%	-0.3%	2.7%	5.0%	1.3%	4.0%	1.4%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	30,631	31,195	31,504	31,925	32,235	32,484	32,697	32,684	33,478	33,362	33,684	34,060
% Ch	11.8%	7.6%	4.0%	5.5%	3.9%	3.1%	2.6%	-0.2%	10.1%	-1.4%	3.9%	4.5%
Idaho Nonfarm (Millions)	29,871	30,397	30,668	31,140	31,239	31,532	31,761	31,716	32,208	32,594	32,764	33,062
% Ch	15.6%	7.2%	3.6%	6.3%	1.3%	3.8%	2.9%	-0.6%	6.4%	4.9%	2.1%	3.7%
National (Billions)	8,212	8,350	8,488	8,577	8,658	8,676	8,706	8,701	8,803	8,914	8,993	9,078
% Ch	13.2%	6.9%	6.8%	4.2%	3.9%	0.8%	1.4%	-0.2%	4.8%	5.1%	3.6%	3.8%
PERSONAL INCOME - 1996 \$												
Idaho (Millions)	28,757	29,123	29,261	29,489	29,533	29,628	29,828	29,756	30,396	30,086	30,248	30,461
% Ch	8.1%	5.2%	1.9%	3.2%	0.6%	1.3%	2.7%	-1.0%	8.9%	-4.0%	2.2%	2.9%
Idaho Nonfarm (Millions)	28,044	28,378	28,485	28,764	28,620	28,760	28,974	28,875	29,243	29,394	29,421	29,569
% Ch	11.7%	4.9%	1.5%	4.0%	-2.0%	2.0%	3.0%	-1.4%	5.2%	2.1%	0.4%	2.0%
National (Billions)	7,710	7,796	7,884	7,922	7,932	7,913	7,942	7,921	7,993	8,039	8,076	8,119
% Ch	9.5%	4.6%	4.6%	2.0%	0.5%	-1.0%	1.5%	-1.0%	3.7%	2.3%	1.9%	2.1%
PER CAPITA PERS INC - CURR \$												
Idaho	23,736	24,063	24,196	24,415	24,545	24,637	24,714	24,615	25,051	24,908	25,085	25,316
% Ch	9.7%	5.6%	2.2%	3.7%	2.1%	1.5%	1.3%	-1.6%	7.3%	-2.3%	2.9%	3.7%
National	29,153	29,565	29,960	30,192	30,405	30,385	30,399	30,301	30,586	30,887	31,072	31,298
% Ch	12.1%	5.8%	5.4%	3.1%	2.9%	-0.3%	0.2%	-1.3%	3.8%	4.0%	2.4%	2.9%
PER CAPITA PERS INC - 1996 \$												
Idaho	22,284	22,465	22,473	22,553	22,487	22,471	22,545	22,410	22,744	22,462	22,526	22,641
% Ch	6.1%	3.3%	0.1%	1.4%	-1.1%	-0.3%	1.3%	-2.4%	6.1%	-4.9%	1.1%	2.1%
National	27,371	27,603	27,828	27,888	27,856	27,713	27,731	27,586	27,770	27,854	27,902	27,992
% Ch	8.4%	3.4%	3.3%	0.9%	-0.5%	-2.0%	0.3%	-2.1%	2.7%	1.2%	0.7%	1.3%
AVERAGE ANNUAL WAGE												
Idaho	28,681	28,604	28,435	28,935	28,401	28,733	28,867	28,725	29,069	29,032	29,368	29,608
% Ch	17.1%	-1.1%	-2.3%	7.2%	-7.2%	4.8%	1.9%	-2.0%	4.9%	-0.5%	4.7%	3.3%
National	36,318	36,344	36,999	37,204	37,456	37,497	37,544	37,607	37,915	38,233	38,547	38,960
% Ch	13.6%	0.3%	7.4%	2.2%	2.7%	0.4%	0.5%	0.7%	3.3%	3.4%	3.3%	4.4%

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OUTPUT, INCOME, & WAGES

	2003				2004				2005			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GROSS DOM. PRODUCT (Billions)												
Current Dollars	10,689	10,817	10,983	11,140	11,344	11,517	11,674	11,825	11,995	12,146	12,300	12,465
% Ch	3.9%	4.9%	6.3%	5.8%	7.5%	6.2%	5.6%	5.3%	5.9%	5.1%	5.2%	5.5%
1996 Chain-Weighted	9,576	9,642	9,732	9,835	9,968	10,078	10,167	10,248	10,340	10,419	10,501	10,591
% Ch	2.4%	2.8%	3.8%	4.3%	5.5%	4.5%	3.6%	3.2%	3.6%	3.1%	3.2%	3.5%
PERSONAL INCOME - CURR \$												
Idaho (Millions)	34,575	34,947	35,189	35,609	36,129	36,707	37,300	37,688	38,119	38,632	39,097	39,514
% Ch	6.2%	4.4%	2.8%	4.9%	6.0%	6.5%	6.6%	4.2%	4.7%	5.5%	4.9%	4.3%
Idaho Nonfarm (Millions)	33,349	33,699	34,142	34,582	35,046	35,475	35,904	36,360	36,861	37,353	37,842	38,380
% Ch	3.5%	4.3%	5.4%	5.3%	5.5%	5.0%	4.9%	5.2%	5.6%	5.4%	5.3%	5.8%
National (Billions)	9,155	9,251	9,360	9,476	9,615	9,746	9,882	10,006	10,140	10,272	10,399	10,538
% Ch	3.5%	4.2%	4.8%	5.1%	6.0%	5.6%	5.7%	5.1%	5.5%	5.3%	5.0%	5.4%
PERSONAL INCOME - 1996 \$												
Idaho (Millions)	30,729	30,881	31,011	31,294	31,629	32,022	32,380	32,537	32,746	33,027	33,254	33,438
% Ch	3.6%	2.0%	1.7%	3.7%	4.4%	5.1%	4.5%	1.9%	2.6%	3.5%	2.8%	2.2%
Idaho Nonfarm (Millions)	29,641	29,779	30,088	30,392	30,681	30,947	31,168	31,390	31,666	31,933	32,187	32,479
% Ch	1.0%	1.9%	4.2%	4.1%	3.9%	3.5%	2.9%	2.9%	3.6%	3.4%	3.2%	3.7%
National (Billions)	8,137	8,175	8,248	8,328	8,417	8,502	8,579	8,638	8,711	8,782	8,845	8,918
% Ch	0.9%	1.9%	3.7%	3.9%	4.4%	4.1%	3.6%	2.8%	3.4%	3.3%	2.9%	3.3%
PER CAPITA PERS INC - CURR \$												
Idaho	25,626	25,826	25,932	26,167	26,483	26,842	27,207	27,425	27,673	27,977	28,241	28,470
% Ch	5.0%	3.2%	1.6%	3.7%	4.9%	5.5%	5.6%	3.2%	3.7%	4.5%	3.8%	3.3%
National	31,491	31,749	32,053	32,380	32,783	33,160	33,549	33,898	34,279	34,651	35,006	35,398
% Ch	2.5%	3.3%	3.9%	4.2%	5.1%	4.7%	4.8%	4.2%	4.6%	4.4%	4.2%	4.6%
PER CAPITA PERS INC - 1996 \$												
Idaho	22,776	22,821	22,852	22,997	23,185	23,416	23,619	23,677	23,773	23,917	24,021	24,093
% Ch	2.4%	0.8%	0.5%	2.5%	3.3%	4.1%	3.5%	1.0%	1.6%	2.5%	1.7%	1.2%
National	27,989	28,055	28,247	28,457	28,700	28,927	29,124	29,264	29,447	29,623	29,774	29,955
% Ch	0.0%	0.9%	2.8%	3.0%	3.5%	3.2%	2.7%	1.9%	2.5%	2.4%	2.1%	2.5%
AVERAGE ANNUAL WAGE												
Idaho	29,779	30,013	30,282	30,546	30,800	31,048	31,326	31,619	31,881	32,141	32,407	32,688
% Ch	2.3%	3.2%	3.6%	3.5%	3.4%	3.3%	3.6%	3.8%	3.4%	3.3%	3.4%	3.5%
National	39,227	39,518	39,836	40,126	40,501	40,849	41,194	41,525	41,904	42,242	42,567	42,922
% Ch	2.8%	3.0%	3.3%	2.9%	3.8%	3.5%	3.4%	3.3%	3.7%	3.3%	3.1%	3.4%

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PERSONAL INCOME -- CURR \$\$

	2000				2001				2002			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	16,352	16,493	16,535	16,894	16,727	16,910	16,978	16,827	17,009	17,067	17,126	17,265
% Ch	21.3%	3.5%	1.0%	9.0%	-3.9%	4.4%	1.6%	-3.5%	4.4%	1.4%	1.4%	3.3%
National (Billions)	4,757	4,791	4,879	4,918	4,960	4,957	4,954	4,931	4,958	4,997	5,044	5,096
% Ch	16.7%	2.8%	7.6%	3.2%	3.5%	-0.3%	-0.3%	-1.8%	2.2%	3.2%	3.8%	4.2%
FARM PROPRIETORS INCOME												
Idaho (Millions)	411	436	467	414	626	577	558	588	884	372	515	605
% Ch	-83.6%	26.6%	31.6%	-38.2%	422.8%	-27.8%	-12.5%	23.3%	410.9%	-96.9%	267.3%	90.4%
National (Billions)	22	25	22	21	19	18	19	19	22	7	11	12
% Ch	-39.8%	57.6%	-43.6%	-8.2%	-32.4%	-16.8%	21.0%	-0.8%	62.2%	-98.6%	322.3%	40.8%
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	3,205	3,288	3,276	3,255	3,287	3,321	3,347	3,382	3,408	3,509	3,531	3,563
% Ch	2.7%	10.8%	-1.5%	-2.5%	4.0%	4.2%	3.2%	4.2%	3.1%	12.4%	2.5%	3.7%
National (Billions)	680	694	697	698	702	708	713	712	727	740	748	760
% Ch	4.9%	8.3%	1.8%	0.7%	2.2%	3.6%	2.8%	-0.6%	8.4%	7.6%	4.4%	6.5%
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	5,725	5,924	6,102	6,157	6,203	6,186	6,204	6,196	6,222	6,324	6,327	6,294
% Ch	7.1%	14.6%	12.6%	3.7%	3.0%	-1.1%	1.2%	-0.5%	1.7%	6.7%	0.2%	-2.1%
National (Billions)	1,531	1,590	1,625	1,651	1,648	1,638	1,638	1,630	1,635	1,666	1,662	1,652
% Ch	14.2%	16.5%	9.0%	6.5%	-0.7%	-2.5%	0.2%	-2.1%	1.3%	7.8%	-1.0%	-2.3%
OTHER LABOR INCOME												
Idaho (Millions)	1,902	1,935	1,947	1,979	1,975	1,984	2,020	2,008	2,087	2,112	2,143	2,182
% Ch	12.7%	7.1%	2.5%	6.7%	-0.8%	1.8%	7.5%	-2.4%	16.7%	4.9%	6.0%	7.5%
National (Billions)	531	540	549	557	565	568	572	576	591	604	618	630
% Ch	9.8%	7.4%	6.6%	6.4%	5.4%	2.5%	3.0%	2.8%	10.4%	9.3%	9.2%	8.5%
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	3,816	3,917	3,970	4,050	4,231	4,330	4,438	4,533	4,745	4,858	4,920	5,011
% Ch	9.1%	11.0%	5.5%	8.3%	19.1%	9.7%	10.4%	8.8%	20.1%	9.9%	5.2%	7.6%
National (Billions)	1,045	1,066	1,077	1,094	1,135	1,159	1,183	1,205	1,252	1,283	1,298	1,319
% Ch	6.0%	8.2%	4.2%	6.7%	15.8%	8.8%	8.3%	7.8%	16.5%	10.1%	5.0%	6.5%
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	1,266	1,270	1,269	1,295	1,301	1,322	1,332	1,325	1,360	1,365	1,370	1,377
% Ch	17.5%	1.3%	-0.3%	8.5%	1.9%	6.6%	3.1%	-2.1%	11.0%	1.5%	1.5%	2.0%
National (Billions)	355	355	361	363	371	372	373	373	380	384	387	391
% Ch	13.4%	0.9%	6.1%	2.8%	9.2%	1.1%	1.0%	-0.4%	8.6%	3.3%	3.7%	4.0%
RESIDENCE ADJUSTMENT												
Idaho (Millions)	486	472	476	471	487	496	482	476	484	485	493	517
% Ch	148.7%	-11.0%	3.4%	-4.1%	14.3%	7.6%	-10.8%	-4.9%	6.9%	0.8%	6.8%	20.5%

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PERSONAL INCOME -- CURR \$\$

	2003				2004				2005			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	17,377	17,536	17,758	17,989	18,219	18,437	18,657	18,887	19,142	19,393	19,634	19,876
% Ch	2.6%	3.7%	5.2%	5.3%	5.2%	4.9%	4.9%	5.0%	5.5%	5.3%	5.1%	5.0%
National (Billions)	5,127	5,170	5,220	5,284	5,365	5,439	5,516	5,589	5,665	5,734	5,800	5,869
% Ch	2.5%	3.4%	4.0%	5.0%	6.2%	5.6%	5.8%	5.4%	5.5%	5.0%	4.7%	4.8%
FARM PROPRIETORS INCOME												
Idaho (Millions)	825	841	634	615	670	814	972	901	829	846	818	700
% Ch	246.0%	7.7%	-67.6%	-11.6%	41.2%	117.6%	102.7%	-26.1%	-28.4%	8.5%	-12.6%	-46.4%
National (Billions)	13	16	21	22	25	31	37	35	35	36	36	32
% Ch	31.9%	135.9%	212.3%	18.5%	79.4%	135.0%	113.5%	-19.9%	-3.4%	16.5%	-4.2%	-36.7%
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	3,627	3,685	3,766	3,837	3,934	4,001	4,057	4,104	4,160	4,209	4,257	4,304
% Ch	7.3%	6.5%	9.1%	7.8%	10.5%	7.0%	5.7%	4.7%	5.6%	4.8%	4.7%	4.5%
National (Billions)	773	786	803	818	839	853	865	875	887	898	908	918
% Ch	7.3%	6.5%	9.1%	7.8%	10.5%	7.0%	5.7%	4.7%	5.6%	4.8%	4.7%	4.5%
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	6,309	6,327	6,392	6,462	6,498	6,585	6,660	6,748	6,857	6,992	7,109	7,270
% Ch	0.9%	1.2%	4.1%	4.5%	2.2%	5.5%	4.6%	5.4%	6.6%	8.1%	6.9%	9.3%
National (Billions)	1,656	1,661	1,678	1,697	1,706	1,729	1,749	1,768	1,794	1,830	1,860	1,902
% Ch	0.9%	1.3%	4.0%	4.6%	2.2%	5.6%	4.6%	4.6%	6.0%	8.3%	6.7%	9.4%
OTHER LABOR INCOME												
Idaho (Millions)	2,220	2,273	2,326	2,374	2,420	2,457	2,509	2,571	2,603	2,628	2,662	2,694
% Ch	7.2%	9.7%	9.7%	8.6%	8.0%	6.3%	8.6%	10.4%	5.0%	3.9%	5.3%	5.0%
National (Billions)	642	657	671	685	698	708	722	739	748	755	764	773
% Ch	7.8%	9.8%	8.5%	8.7%	7.6%	5.9%	8.4%	9.5%	5.1%	3.7%	5.0%	4.9%
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	5,094	5,168	5,207	5,239	5,306	5,342	5,386	5,430	5,494	5,543	5,607	5,673
% Ch	6.8%	6.0%	3.0%	2.5%	5.3%	2.7%	3.4%	3.3%	4.8%	3.6%	4.7%	4.8%
National (Billions)	1,340	1,359	1,369	1,377	1,395	1,405	1,417	1,428	1,446	1,459	1,476	1,493
% Ch	6.7%	5.8%	2.9%	2.3%	5.4%	2.8%	3.4%	3.4%	4.9%	3.7%	4.7%	4.8%
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	1,398	1,407	1,426	1,447	1,466	1,484	1,502	1,521	1,543	1,563	1,583	1,603
% Ch	6.2%	2.7%	5.4%	6.0%	5.4%	5.1%	5.0%	5.2%	5.7%	5.5%	5.2%	5.1%
National (Billions)	396	398	402	407	413	418	424	429	434	439	444	449
% Ch	5.5%	1.8%	3.7%	5.2%	5.9%	5.3%	5.5%	5.1%	5.2%	4.7%	4.4%	4.5%
RESIDENCE ADJUSTMENT												
Idaho (Millions)	520	525	533	540	547	554	562	569	577	585	593	601
% Ch	2.9%	4.0%	5.6%	5.7%	5.6%	5.3%	5.2%	5.4%	5.9%	5.7%	5.4%	5.4%

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EMPLOYMENT

	2000				2001				2002			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	551,855	557,936	562,301	564,929	569,316	569,025	568,750	566,131	564,584	566,884	562,308	562,605
% Ch	3.9%	4.5%	3.2%	1.9%	3.1%	-0.2%	-0.2%	-1.8%	-1.1%	1.6%	-3.2%	0.2%
National (Thousands)	130,995	131,819	131,876	132,185	132,433	132,193	131,943	131,130	130,759	130,706	130,844	130,792
% Ch	2.7%	2.5%	0.2%	0.9%	0.8%	-0.7%	-0.8%	-2.4%	-1.1%	-0.2%	0.4%	-0.2%
GOODS PRODUCING SECTOR												
Idaho	115,712	115,931	115,830	116,797	117,843	115,876	114,180	110,466	108,249	108,302	106,304	105,367
% Ch	2.8%	0.8%	-0.3%	3.4%	3.6%	-6.5%	-5.7%	-12.4%	-7.8%	0.2%	-7.2%	-3.5%
National (Thousands)	25,701	25,690	25,681	25,626	25,493	25,136	24,786	24,375	24,049	23,879	23,787	23,625
% Ch	2.0%	-0.2%	-0.1%	-0.8%	-2.1%	-5.5%	-5.5%	-6.5%	-5.2%	-2.8%	-1.5%	-2.7%
MANUFACTURING												
Idaho	76,706	77,176	77,041	77,835	77,751	76,113	74,747	72,511	71,005	70,862	70,711	70,234
% Ch	1.6%	2.5%	-0.7%	4.2%	-0.4%	-8.2%	-7.0%	-11.4%	-8.0%	-0.8%	-0.8%	-2.7%
National (Thousands)	18,502	18,510	18,494	18,400	18,196	17,872	17,538	17,174	16,883	16,776	16,691	16,529
% Ch	0.0%	0.2%	-0.3%	-2.0%	-4.4%	-6.9%	-7.3%	-8.0%	-6.6%	-2.5%	-2.0%	-3.8%
DURABLE MANUFACTURING												
Idaho	47,655	47,934	47,800	48,370	48,350	46,828	45,784	44,135	43,227	43,118	42,856	42,642
% Ch	0.9%	2.4%	-1.1%	4.9%	-0.2%	-12.0%	-8.6%	-13.6%	-8.0%	-1.0%	-2.4%	-2.0%
National (Thousands)	11,121	11,146	11,174	11,131	10,998	10,773	10,522	10,249	10,023	9,961	9,881	9,752
% Ch	0.8%	0.9%	1.0%	-1.5%	-4.7%	-7.9%	-9.0%	-10.0%	-8.5%	-2.5%	-3.2%	-5.1%
LUMBER & WOOD PRODUCTS												
Idaho	13,136	13,062	12,328	11,988	11,824	11,453	11,448	11,236	11,230	11,090	10,579	10,481
% Ch	-6.0%	-2.2%	-20.6%	-10.6%	-5.3%	-12.0%	-0.2%	-7.2%	-0.2%	-4.9%	-17.2%	-3.6%
National (Thousands)	842	837	829	814	797	789	784	773	770	768	766	761
% Ch	0.6%	-2.4%	-3.9%	-6.9%	-7.9%	-4.0%	-2.5%	-5.7%	-1.4%	-1.2%	-1.0%	-2.4%
STONE, CLAY, GLASS, etc.												
Idaho	4,535	4,454	4,467	4,482	4,540	4,515	4,479	4,333	4,099	4,400	4,344	4,280
% Ch	-1.1%	-7.0%	1.2%	1.4%	5.3%	-2.2%	-3.1%	-12.4%	-19.9%	32.8%	-5.0%	-5.8%
National (Thousands)	2,109	2,121	2,125	2,120	2,102	2,068	2,039	2,004	1,977	1,977	1,976	1,956
% Ch	2.2%	2.2%	0.9%	-1.1%	-3.4%	-6.3%	-5.4%	-6.6%	-5.4%	0.0%	-0.2%	-4.0%
ELEC & NONELEC MACH												
Idaho	23,764	24,131	24,923	25,865	26,046	25,022	24,003	22,807	22,258	21,996	22,297	22,236
% Ch	4.4%	6.3%	13.8%	16.0%	2.8%	-14.8%	-15.3%	-18.5%	-9.3%	-4.6%	5.6%	-1.1%
National (Thousands)	3,802	3,824	3,884	3,881	3,848	3,720	3,566	3,431	3,317	3,271	3,221	3,159
% Ch	0.7%	2.3%	6.4%	-0.3%	-3.3%	-12.7%	-15.5%	-14.3%	-12.6%	-5.4%	-6.0%	-7.5%
OTHER DURABLES												
Idaho	6,220	6,288	6,081	6,036	5,939	5,838	5,854	5,759	5,641	5,632	5,636	5,644
% Ch	4.8%	4.4%	-12.5%	-3.0%	-6.2%	-6.6%	1.1%	-6.3%	-7.9%	-0.7%	0.3%	0.6%
National (Thousands)	4,368	4,364	4,336	4,317	4,251	4,196	4,133	4,041	3,959	3,945	3,918	3,877
% Ch	0.2%	-0.3%	-2.6%	-1.7%	-6.0%	-5.0%	-5.9%	-8.6%	-7.8%	-1.4%	-2.7%	-4.2%

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APRIL 2003

EMPLOYMENT

	2003				2004				2005			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	562,570	563,032	565,245	567,900	570,415	572,662	574,379	576,189	579,183	582,089	584,652	587,061
% Ch	0.0%	0.3%	1.6%	1.9%	1.8%	1.6%	1.2%	1.3%	2.1%	2.0%	1.8%	1.7%
National (Thousands)	130,701	130,815	131,040	131,692	132,464	133,138	133,903	134,596	135,182	135,739	136,262	136,734
% Ch	-0.3%	0.3%	0.7%	2.0%	2.4%	2.1%	2.3%	2.1%	1.8%	1.7%	1.5%	1.4%
GOODS PRODUCING SECTOR												
Idaho	104,280	102,981	102,821	102,673	102,503	102,187	101,570	101,095	101,338	101,533	101,601	101,749
% Ch	-4.1%	-4.9%	-0.6%	-0.6%	-0.7%	-1.2%	-2.4%	-1.9%	1.0%	0.8%	0.3%	0.6%
National (Thousands)	23,508	23,396	23,220	23,167	23,134	23,162	23,286	23,369	23,468	23,549	23,632	23,707
% Ch	-2.0%	-1.9%	-3.0%	-0.9%	-0.6%	0.5%	2.2%	1.4%	1.7%	1.4%	1.4%	1.3%
MANUFACTURING												
Idaho	69,433	68,304	68,304	68,427	68,740	69,123	69,502	69,867	70,265	70,567	70,688	70,781
% Ch	-4.5%	-6.3%	0.0%	0.7%	1.8%	2.3%	2.2%	2.1%	2.3%	1.7%	0.7%	0.5%
National (Thousands)	16,409	16,295	16,086	16,014	15,927	15,899	15,948	15,985	16,044	16,119	16,193	16,241
% Ch	-2.9%	-2.7%	-5.1%	-1.8%	-2.2%	-0.7%	1.2%	0.9%	1.5%	1.9%	1.9%	1.2%
DURABLE MANUFACTURING												
Idaho	41,858	40,714	40,505	40,506	40,667	40,878	41,079	41,259	41,475	41,605	41,572	41,530
% Ch	-7.2%	-10.5%	-2.0%	0.0%	1.6%	2.1%	2.0%	1.8%	2.1%	1.3%	-0.3%	-0.4%
National (Thousands)	9,661	9,564	9,411	9,368	9,313	9,309	9,362	9,404	9,460	9,516	9,562	9,591
% Ch	-3.7%	-3.9%	-6.3%	-1.8%	-2.3%	-0.2%	2.3%	1.8%	2.4%	2.4%	1.9%	1.2%
LUMBER & WOOD PRODUCTS												
Idaho	10,314	10,188	10,037	9,921	9,872	9,801	9,713	9,625	9,526	9,411	9,281	9,154
% Ch	-6.2%	-4.8%	-5.8%	-4.6%	-1.9%	-2.8%	-3.5%	-3.6%	-4.1%	-4.7%	-5.4%	-5.4%
National (Thousands)	758	756	751	750	747	748	752	754	758	761	764	767
% Ch	-1.7%	-1.0%	-2.9%	-0.5%	-1.1%	0.4%	1.8%	1.4%	2.0%	1.8%	1.6%	1.3%
STONE, CLAY, GLASS, etc.												
Idaho	4,216	4,160	4,116	4,097	4,077	4,057	4,032	3,992	3,962	3,970	3,975	3,976
% Ch	-5.9%	-5.2%	-4.1%	-1.9%	-2.0%	-1.9%	-2.5%	-3.8%	-3.0%	0.8%	0.6%	0.1%
National (Thousands)	1,935	1,923	1,900	1,894	1,889	1,889	1,896	1,905	1,914	1,929	1,941	1,949
% Ch	-4.1%	-2.5%	-4.7%	-1.3%	-1.1%	0.1%	1.5%	2.0%	2.0%	3.0%	2.6%	1.6%
ELEC & NONELEC MACH												
Idaho	21,565	20,773	20,847	20,942	21,095	21,316	21,559	21,826	22,143	22,375	22,523	22,644
% Ch	-11.5%	-13.9%	1.4%	1.8%	3.0%	4.3%	4.6%	5.0%	5.9%	4.3%	2.7%	2.2%
National (Thousands)	3,112	3,083	3,007	2,971	2,938	2,922	2,928	2,932	2,953	2,973	2,996	3,011
% Ch	-5.8%	-3.7%	-9.5%	-4.8%	-4.3%	-2.1%	0.7%	0.6%	3.0%	2.7%	3.1%	2.1%
OTHER DURABLES												
Idaho	5,763	5,593	5,504	5,547	5,623	5,703	5,775	5,815	5,844	5,850	5,792	5,756
% Ch	8.7%	-11.3%	-6.2%	3.1%	5.6%	5.8%	5.1%	2.8%	2.0%	0.4%	-3.9%	-2.5%
National (Thousands)	3,856	3,802	3,753	3,754	3,739	3,749	3,787	3,813	3,835	3,853	3,861	3,865
% Ch	-2.2%	-5.4%	-5.1%	0.2%	-1.6%	1.1%	4.1%	2.7%	2.3%	1.9%	0.8%	0.4%

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APRIL 2003

EMPLOYMENT

	2000				2001				2002			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
MANUFACTURING (continued)												
NONDURABLE MANUFACTURING												
Idaho	29,051	29,241	29,242	29,465	29,401	29,285	28,963	28,376	27,778	27,744	27,855	27,592
% Ch	2.7%	2.6%	0.0%	3.1%	-0.9%	-1.6%	-4.3%	-7.9%	-8.2%	-0.5%	1.6%	-3.7%
National (Thousands)	7,381	7,364	7,321	7,269	7,198	7,099	7,015	6,925	6,860	6,815	6,810	6,776
% Ch	-1.2%	-0.9%	-2.3%	-2.8%	-3.8%	-5.4%	-4.6%	-5.0%	-3.7%	-2.6%	-0.3%	-1.9%
FOOD PROCESSING												
Idaho	17,173	17,281	17,284	17,266	17,387	17,458	17,420	17,097	16,928	16,888	16,931	16,818
% Ch	0.5%	2.5%	0.1%	-0.4%	2.8%	1.6%	-0.9%	-7.2%	-3.9%	-0.9%	1.0%	-2.7%
National (Thousands)	1,690	1,690	1,685	1,686	1,694	1,691	1,688	1,688	1,686	1,689	1,688	1,689
% Ch	-0.3%	0.0%	-1.3%	0.2%	2.0%	-0.6%	-0.8%	0.1%	-0.6%	0.8%	-0.2%	0.2%
CANNED, CURED, & FROZEN												
Idaho	9,753	9,803	9,834	9,679	9,597	9,610	9,603	9,455	9,346	9,211	9,265	9,190
% Ch	-1.6%	2.1%	1.3%	-6.2%	-3.3%	0.6%	-0.3%	-6.0%	-4.5%	-5.6%	2.3%	-3.2%
OTHER FOOD PROCESSING												
Idaho	7,420	7,478	7,450	7,587	7,790	7,848	7,817	7,643	7,582	7,677	7,666	7,628
% Ch	3.4%	3.1%	-1.5%	7.5%	11.2%	3.0%	-1.5%	-8.6%	-3.1%	5.1%	-0.6%	-2.0%
PAPER, PRINTING, PUBLISH.												
Idaho	7,534	7,661	7,631	7,720	7,561	7,406	7,299	7,122	7,031	6,942	6,957	6,983
% Ch	6.2%	6.9%	-1.6%	4.8%	-8.0%	-8.0%	-5.7%	-9.4%	-5.0%	-5.0%	0.9%	1.5%
National (Thousands)	2,208	2,208	2,206	2,194	2,173	2,140	2,109	2,079	2,049	2,021	2,016	2,010
% Ch	-0.8%	0.0%	-0.4%	-2.1%	-3.8%	-5.9%	-5.7%	-5.6%	-5.6%	-5.3%	-1.1%	-1.1%
CHEMICALS												
Idaho	2,320	2,309	2,311	2,385	2,371	2,392	2,291	2,238	1,957	1,935	1,998	1,954
% Ch	11.7%	-1.9%	0.4%	13.4%	-2.3%	3.6%	-15.8%	-9.0%	-41.6%	-4.3%	13.6%	-8.4%
National (Thousands)	1,038	1,036	1,031	1,030	1,028	1,023	1,022	1,015	1,010	1,007	1,008	1,007
% Ch	1.0%	-0.6%	-2.2%	-0.1%	-1.0%	-1.9%	-0.4%	-2.6%	-2.1%	-0.9%	0.3%	-0.5%
OTHER NONDURABLES												
Idaho	2,024	1,990	2,015	2,094	2,082	2,029	1,952	1,919	1,862	1,978	1,969	1,837
% Ch	-0.6%	-6.5%	5.1%	16.6%	-2.4%	-9.8%	-14.2%	-6.6%	-11.4%	27.4%	-1.9%	-24.2%
National (Thousands)	2,445	2,430	2,400	2,359	2,303	2,244	2,196	2,143	2,116	2,097	2,098	2,071
% Ch	-3.0%	-2.5%	-4.8%	-6.7%	-9.1%	-9.9%	-8.3%	-9.4%	-5.0%	-3.4%	0.1%	-5.0%
MINING												
Idaho	2,476	2,444	2,420	2,360	2,232	2,117	1,962	1,837	1,865	1,780	1,682	1,698
%Ch	-8.5%	-5.2%	-3.8%	-9.6%	-19.9%	-19.1%	-26.2%	-23.1%	6.1%	-17.0%	-20.3%	3.9%
National (Thousands)	534	542	545	551	556	565	571	566	564	559	553	552
%Ch	0.8%	5.9%	2.5%	4.7%	3.7%	6.6%	3.8%	-3.5%	-1.2%	-3.5%	-4.5%	-0.2%
METAL MINING												
Idaho	1,323	1,252	1,192	1,127	1,016	883	748	648	625	594	528	500
%Ch	-11.1%	-19.8%	-17.8%	-20.2%	-33.8%	-42.9%	-48.6%	-43.6%	-13.6%	-18.2%	-37.9%	-19.3%
OTHER MINING												
Idaho	1,154	1,192	1,228	1,233	1,216	1,234	1,214	1,189	1,240	1,186	1,154	1,198
% Ch	-5.2%	14.0%	12.7%	1.7%	-5.4%	6.0%	-6.2%	-8.1%	18.2%	-16.3%	-10.2%	16.0%

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EMPLOYMENT

	2003				2004				2005			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
MANUFACTURING (continued)												
NONDURABLE MANUFACTURING												
Idaho	27,575	27,590	27,799	27,921	28,073	28,246	28,423	28,608	28,789	28,962	29,117	29,252
% Ch	-0.2%	0.2%	3.1%	1.8%	2.2%	2.5%	2.5%	2.6%	2.6%	2.4%	2.2%	1.9%
National (Thousands)	6,748	6,732	6,675	6,646	6,614	6,590	6,585	6,581	6,583	6,603	6,631	6,650
% Ch	-1.7%	-1.0%	-3.3%	-1.7%	-1.9%	-1.4%	-0.3%	-0.3%	0.1%	1.2%	1.7%	1.1%
FOOD PROCESSING												
Idaho	16,764	16,706	16,843	16,913	16,985	17,052	17,115	17,174	17,225	17,271	17,313	17,352
% Ch	-1.3%	-1.4%	3.3%	1.7%	1.7%	1.6%	1.5%	1.4%	1.2%	1.1%	1.0%	0.9%
National (Thousands)	1,693	1,691	1,688	1,687	1,684	1,685	1,689	1,693	1,697	1,704	1,712	1,715
% Ch	1.1%	-0.6%	-0.7%	-0.2%	-0.8%	0.3%	1.0%	1.0%	0.8%	1.7%	1.9%	0.6%
CANNED, CURED, & FROZEN												
Idaho	9,163	9,106	9,080	9,101	9,118	9,137	9,158	9,178	9,199	9,221	9,244	9,269
% Ch	-1.2%	-2.4%	-1.1%	0.9%	0.8%	0.8%	0.9%	0.9%	0.9%	1.0%	1.0%	1.1%
OTHER FOOD PROCESSING												
Idaho	7,601	7,600	7,763	7,812	7,867	7,915	7,957	7,996	8,026	8,050	8,069	8,083
% Ch	-1.4%	-0.1%	8.8%	2.6%	2.8%	2.5%	2.1%	2.0%	1.5%	1.2%	1.0%	0.7%
PAPER, PRINTING, PUBLISH.												
Idaho	7,025	7,104	7,173	7,214	7,267	7,341	7,434	7,538	7,646	7,749	7,842	7,921
% Ch	2.4%	4.6%	3.9%	2.3%	3.0%	4.1%	5.1%	5.7%	5.8%	5.5%	4.9%	4.1%
National (Thousands)	2,003	2,005	1,987	1,982	1,978	1,979	1,985	1,989	2,000	2,017	2,037	2,055
% Ch	-1.5%	0.6%	-3.7%	-1.0%	-0.8%	0.1%	1.3%	0.9%	2.1%	3.5%	4.0%	3.6%
CHEMICALS												
Idaho	1,935	1,913	1,905	1,898	1,894	1,895	1,899	1,902	1,905	1,907	1,908	1,907
% Ch	-3.9%	-4.4%	-1.6%	-1.5%	-0.8%	0.3%	0.7%	0.7%	0.6%	0.5%	0.2%	-0.2%
National (Thousands)	1,002	993	976	966	953	937	930	924	918	916	918	919
% Ch	-1.9%	-3.5%	-6.6%	-4.1%	-5.4%	-6.4%	-3.1%	-2.6%	-2.3%	-0.9%	0.8%	0.3%
OTHER NONDURABLES												
Idaho	1,852	1,866	1,878	1,896	1,926	1,956	1,975	1,993	2,014	2,035	2,053	2,071
% Ch	3.3%	3.2%	2.5%	3.8%	6.7%	6.4%	3.9%	3.8%	4.2%	4.2%	3.7%	3.5%
National (Thousands)	2,051	2,042	2,024	2,011	1,999	1,989	1,982	1,975	1,969	1,966	1,964	1,961
% Ch	-3.9%	-1.6%	-3.5%	-2.6%	-2.3%	-2.0%	-1.5%	-1.4%	-1.2%	-0.6%	-0.4%	-0.7%
MINING												
Idaho	1,600	1,594	1,609	1,632	1,649	1,654	1,650	1,612	1,559	1,486	1,411	1,360
%Ch	-21.2%	-1.6%	3.9%	5.9%	4.2%	1.2%	-1.0%	-8.8%	-12.6%	-17.5%	-18.6%	-13.7%
National (Thousands)	550	561	570	575	567	552	541	531	522	514	509	504
%Ch	-1.3%	7.9%	6.6%	3.7%	-5.9%	-9.8%	-8.0%	-7.3%	-6.6%	-5.4%	-3.9%	-4.2%
METAL MINING												
Idaho	461	463	475	493	509	513	512	490	459	416	369	347
%Ch	-28.0%	1.9%	11.2%	15.8%	13.8%	3.0%	-1.2%	-15.9%	-23.1%	-32.7%	-37.7%	-21.6%
OTHER MINING												
Idaho	1,139	1,131	1,134	1,139	1,140	1,141	1,139	1,123	1,100	1,070	1,042	1,013
% Ch	-18.2%	-3.0%	1.0%	2.0%	0.2%	0.4%	-0.9%	-5.5%	-7.7%	-10.5%	-10.2%	-10.8%

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EMPLOYMENT

	2000				2001				2002			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GOODS PRODUCING (continued)												
CONSTRUCTION												
Idaho	36,530	36,312	36,369	36,602	37,860	37,645	37,471	36,118	35,378	35,661	33,910	33,435
% Ch	6.3%	-2.4%	0.6%	2.6%	14.5%	-2.2%	-1.8%	-13.7%	-7.9%	3.2%	-18.2%	-5.5%
National (Thousands)	6,665	6,639	6,641	6,675	6,740	6,699	6,678	6,635	6,602	6,544	6,544	6,544
% Ch	7.7%	-1.6%	0.2%	2.0%	4.0%	-2.4%	-1.3%	-2.5%	-2.0%	-3.5%	0.0%	0.0%
SERVICE PRODUCING SECTOR												
Idaho	436,143	442,005	446,471	448,132	451,473	453,149	454,570	455,665	456,335	458,582	456,005	457,238
% Ch	4.2%	5.5%	4.1%	1.5%	3.0%	1.5%	1.3%	1.0%	0.6%	2.0%	-2.2%	1.1%
National (Thousands)	105,293	106,129	106,195	106,559	106,941	107,057	107,157	106,755	106,711	106,827	107,057	107,167
% Ch	2.9%	3.2%	0.2%	1.4%	1.4%	0.4%	0.4%	-1.5%	-0.2%	0.4%	0.9%	0.4%
FINANCE, INSUR, REAL ESTATE												
Idaho	23,630	23,544	23,393	23,443	23,680	24,039	24,287	24,339	24,346	24,375	24,559	24,760
% Ch	2.9%	-1.5%	-2.5%	0.9%	4.1%	6.2%	4.2%	0.9%	0.1%	0.5%	3.1%	3.3%
National (Thousands)	7,570	7,554	7,569	7,620	7,664	7,712	7,728	7,747	7,744	7,736	7,752	7,808
% Ch	-0.2%	-0.9%	0.8%	2.8%	2.3%	2.5%	0.9%	1.0%	-0.2%	-0.4%	0.8%	2.9%
TRANS, COMMUN, PUBLIC UTIL												
Idaho	27,747	27,956	28,174	27,904	28,316	28,208	28,078	27,950	27,801	27,734	27,255	27,208
% Ch	3.2%	3.0%	3.1%	-3.8%	6.0%	-1.5%	-1.8%	-1.8%	-2.1%	-1.0%	-6.7%	-0.7%
National (Thousands)	6,965	7,008	7,042	7,114	7,145	7,130	7,081	6,912	6,834	6,794	6,757	6,711
% Ch	2.9%	2.5%	1.9%	4.2%	1.8%	-0.9%	-2.7%	-9.2%	-4.5%	-2.3%	-2.2%	-2.7%
TRADE												
Idaho	139,124	140,159	142,555	142,507	142,082	141,672	140,317	139,846	140,147	140,335	139,852	139,262
% Ch	2.6%	3.0%	7.0%	-0.1%	-1.2%	-1.1%	-3.8%	-1.3%	0.9%	0.5%	-1.4%	-1.7%
National (Thousands)	30,192	30,268	30,307	30,349	30,387	30,362	30,307	30,120	30,044	30,007	29,979	29,874
% Ch	2.3%	1.0%	0.5%	0.5%	0.5%	-0.3%	-0.7%	-2.4%	-1.0%	-0.5%	-0.4%	-1.4%
SERVICES												
Idaho	141,124	143,842	146,310	148,682	148,561	149,719	151,350	151,734	152,307	154,551	152,052	153,344
% Ch	7.4%	7.9%	7.0%	6.6%	-0.3%	3.2%	4.4%	1.0%	1.5%	6.0%	-6.3%	3.4%
National (Thousands)	40,032	40,340	40,621	40,842	40,998	40,993	41,037	40,880	40,924	41,090	41,299	41,415
% Ch	3.7%	3.1%	2.8%	2.2%	1.5%	0.0%	0.4%	-1.5%	0.4%	1.6%	2.1%	1.1%
STATE & LOCAL GOVERNMENT												
Idaho	91,176	92,161	92,926	92,671	95,731	96,389	97,142	98,289	98,517	98,394	98,715	99,185
% Ch	1.8%	4.4%	3.4%	-1.1%	13.9%	2.8%	3.2%	4.8%	0.9%	-0.5%	1.3%	1.9%
National (Thousands)	17,807	17,884	17,960	18,015	18,129	18,246	18,381	18,478	18,556	18,597	18,657	18,700
% Ch	2.1%	1.7%	1.7%	1.2%	2.6%	2.6%	3.0%	2.1%	1.7%	0.9%	1.3%	0.9%
Idaho Education	50,136	50,588	51,004	50,610	51,176	51,416	51,665	52,338	52,169	52,236	52,249	52,488
% Ch	4.3%	3.7%	3.3%	-3.1%	4.6%	1.9%	2.0%	5.3%	-1.3%	0.5%	0.1%	1.8%
Idaho Other	41,040	41,573	41,922	42,061	44,555	44,973	45,477	45,951	46,347	46,158	46,466	46,697
% Ch	-1.2%	5.3%	3.4%	1.3%	25.9%	3.8%	4.6%	4.2%	3.5%	-1.6%	2.7%	2.0%
FEDERAL GOVERNMENT												
Idaho	13,341	14,343	13,113	12,924	13,104	13,123	13,396	13,507	13,217	13,194	13,573	13,479
% Ch	7.5%	33.6%	-30.1%	-5.6%	5.7%	0.6%	8.6%	3.4%	-8.3%	-0.7%	12.0%	-2.7%
National (Thousands)	2,727	3,075	2,697	2,619	2,617	2,616	2,623	2,618	2,609	2,604	2,613	2,658
% Ch	13.0%	61.7%	-40.9%	-11.0%	-0.3%	-0.3%	1.1%	-0.8%	-1.3%	-0.9%	1.4%	7.1%

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EMPLOYMENT

	2003				2004				2005			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GOODS PRODUCING (continued)												
CONSTRUCTION												
Idaho	33,247	33,084	32,908	32,613	32,114	31,410	30,418	29,615	29,515	29,480	29,501	29,608
% Ch	-2.2%	-1.9%	-2.1%	-3.5%	-6.0%	-8.5%	-12.0%	-10.2%	-1.3%	-0.5%	0.3%	1.4%
National (Thousands)	6,549	6,539	6,564	6,577	6,640	6,711	6,798	6,853	6,902	6,915	6,930	6,962
% Ch	0.3%	-0.6%	1.5%	0.8%	3.9%	4.4%	5.2%	3.3%	2.9%	0.8%	0.8%	1.9%
SERVICE PRODUCING SECTOR												
Idaho	458,290	460,051	462,424	465,227	467,912	470,475	472,809	475,094	477,845	480,556	483,051	485,312
% Ch	0.9%	1.5%	2.1%	2.4%	2.3%	2.2%	2.0%	1.9%	2.3%	2.3%	2.1%	1.9%
National (Thousands)	107,193	107,419	107,820	108,525	109,330	109,976	110,617	111,227	111,714	112,190	112,629	113,027
% Ch	0.1%	0.8%	1.5%	2.6%	3.0%	2.4%	2.4%	2.2%	1.8%	1.7%	1.6%	1.4%
FINANCE, INSUR, REAL ESTATE												
Idaho	24,864	24,705	24,712	24,732	24,743	24,765	24,801	24,825	24,850	24,882	24,920	24,965
% Ch	1.7%	-2.5%	0.1%	0.3%	0.2%	0.4%	0.6%	0.4%	0.4%	0.5%	0.6%	0.7%
National (Thousands)	7,826	7,866	7,936	7,978	8,043	8,105	8,158	8,207	8,258	8,284	8,295	8,290
% Ch	0.9%	2.1%	3.6%	2.1%	3.3%	3.1%	2.6%	2.5%	2.5%	1.3%	0.5%	-0.2%
TRANS, COMMUN, PUBLIC UTIL												
Idaho	27,280	27,363	27,460	27,574	27,705	27,829	27,949	28,066	28,177	28,284	28,387	28,487
% Ch	1.1%	1.2%	1.4%	1.7%	1.9%	1.8%	1.7%	1.7%	1.6%	1.5%	1.5%	1.4%
National (Thousands)	6,655	6,653	6,629	6,685	6,714	6,742	6,782	6,831	6,877	6,910	6,934	6,963
% Ch	-3.3%	-0.1%	-1.4%	3.4%	1.7%	1.7%	2.4%	2.9%	2.7%	1.9%	1.4%	1.7%
TRADE												
Idaho	139,655	140,652	141,670	142,880	143,984	145,085	145,994	146,814	148,006	149,166	150,232	151,205
% Ch	1.1%	2.9%	2.9%	3.5%	3.1%	3.1%	2.5%	2.3%	3.3%	3.2%	2.9%	2.6%
National (Thousands)	29,863	29,887	29,906	30,017	30,157	30,228	30,228	30,259	30,229	30,240	30,232	30,245
% Ch	-0.1%	0.3%	0.3%	1.5%	1.9%	0.9%	0.0%	0.4%	-0.4%	0.1%	-0.1%	0.2%
SERVICES												
Idaho	153,941	154,809	156,061	157,421	158,852	160,112	161,341	162,627	164,013	165,356	166,566	167,648
% Ch	1.6%	2.3%	3.3%	3.5%	3.7%	3.2%	3.1%	3.2%	3.5%	3.3%	3.0%	2.6%
National (Thousands)	41,472	41,691	42,053	42,562	43,150	43,618	44,052	44,397	44,748	44,973	45,233	45,463
% Ch	0.5%	2.1%	3.5%	4.9%	5.6%	4.4%	4.0%	3.2%	3.2%	2.0%	2.3%	2.0%
STATE & LOCAL GOVERNMENT												
Idaho	99,121	99,026	99,098	99,193	99,196	99,236	99,281	99,331	99,384	99,466	99,558	99,640
% Ch	-0.3%	-0.4%	0.3%	0.4%	0.0%	0.2%	0.2%	0.2%	0.2%	0.3%	0.4%	0.3%
National (Thousands)	18,714	18,626	18,603	18,582	18,562	18,574	18,687	18,820	18,889	19,068	19,220	19,350
% Ch	0.3%	-1.9%	-0.5%	-0.4%	-0.4%	0.3%	2.5%	2.9%	1.5%	3.9%	3.2%	2.7%
Idaho Education	52,568	52,614	52,654	52,718	52,702	52,725	52,750	52,782	52,819	52,882	52,951	53,010
% Ch	0.6%	0.3%	0.3%	0.5%	-0.1%	0.2%	0.2%	0.2%	0.3%	0.5%	0.5%	0.4%
Idaho Other	46,553	46,413	46,443	46,474	46,494	46,511	46,532	46,548	46,564	46,585	46,607	46,630
% Ch	-1.2%	-1.2%	0.3%	0.3%	0.2%	0.1%	0.2%	0.1%	0.1%	0.2%	0.2%	0.2%
FEDERAL GOVERNMENT												
Idaho	13,429	13,495	13,423	13,429	13,433	13,449	13,442	13,432	13,417	13,402	13,387	13,368
% Ch	-1.5%	2.0%	-2.1%	0.2%	0.1%	0.5%	-0.2%	-0.3%	-0.4%	-0.4%	-0.5%	-0.6%
National (Thousands)	2,663	2,696	2,692	2,700	2,705	2,708	2,710	2,712	2,713	2,714	2,716	2,717
% Ch	0.7%	5.1%	-0.6%	1.1%	0.7%	0.5%	0.3%	0.3%	0.2%	0.1%	0.2%	0.2%

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

APRIL 2003

MISCELLANEOUS

	2000				2001				2002			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS												
Idaho (Millions)	1,074.5	1,087.9	1,137.4	1,142.3	1,195.2	1,259.6	1,216.2	1,292.6	1,309.7	1,381.8	1,362.0	1,407.1
% Ch	-1.9%	5.1%	19.5%	1.8%	19.8%	23.3%	-13.1%	27.6%	5.4%	23.9%	-5.6%	13.9%
National (Billions)	239.4	242.2	253.8	254.6	266.8	281.9	271.4	289.4	292.3	309.6	305.0	315.8
% Ch	-4.2%	4.8%	20.6%	1.3%	20.6%	24.6%	-14.1%	29.3%	4.1%	25.9%	-5.8%	14.9%
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	106.1	106.7	107.1	107.7	108.7	109.3	109.9	109.8	110.1	110.5	110.8	111.2
% Ch	3.1%	2.3%	1.6%	2.1%	3.7%	2.5%	2.2%	-0.5%	1.3%	1.2%	1.0%	1.6%
Consumption Expenditures	106.5	107.1	107.7	108.3	109.2	109.6	109.6	109.8	110.1	110.9	111.4	111.8
% Ch	3.4%	2.3%	2.1%	2.2%	3.3%	1.8%	-0.1%	0.8%	1.1%	2.7%	1.7%	1.6%
Durable Goods	91.9	91.7	91.2	91.0	90.7	89.9	89.3	88.9	88.0	87.4	86.9	86.5
% Ch	-2.0%	-0.8%	-2.2%	-1.2%	-1.2%	-3.4%	-2.7%	-1.5%	-4.2%	-2.9%	-1.9%	-2.2%
Nondurable Goods	106.5	107.3	108.0	108.5	109.0	109.8	109.4	108.5	108.5	109.8	109.9	110.3
% Ch	5.3%	3.0%	2.8%	1.8%	1.8%	2.9%	-1.4%	-3.5%	0.2%	4.6%	0.6%	1.2%
Services	109.8	110.5	111.2	112.0	113.4	114.1	114.4	115.4	116.1	117.0	117.9	118.6
% Ch	3.6%	2.5%	2.6%	3.2%	5.1%	2.3%	1.1%	3.5%	2.7%	3.0%	3.0%	2.6%
Cons. Price Index (1982-84)	170.1	171.5	173.0	174.2	175.9	177.3	177.7	177.4	178.0	179.5	180.5	181.4
% Ch	3.9%	3.3%	3.6%	2.9%	3.8%	3.2%	1.0%	-0.6%	1.3%	3.5%	2.2%	2.0%
SELECTED INTEREST RATES												
Federal Funds	5.68%	6.27%	6.52%	6.47%	5.59%	4.33%	3.50%	2.13%	1.73%	1.75%	1.74%	1.44%
Prime	8.69%	9.25%	9.50%	9.50%	8.62%	7.34%	6.57%	5.16%	4.75%	4.75%	4.75%	4.45%
Existing Home Mortgage	8.02%	8.19%	8.10%	7.81%	7.21%	7.15%	7.06%	6.71%	6.86%	6.82%	6.41%	6.11%
U.S. Govt. 3-Month Bills	5.50%	5.72%	6.00%	6.03%	4.86%	3.67%	3.25%	1.93%	1.72%	1.72%	1.65%	1.35%
SELECTED US PRODUCTION INDICES												
Lumber & Wood Products	107.9	105.2	104.1	100.5	96.4	96.8	98.0	96.7	98.0	97.8	97.2	94.3
% Ch	3.4%	-9.6%	-4.2%	-12.9%	-15.5%	1.9%	5.0%	-5.4%	5.6%	-0.7%	-2.6%	-11.3%
Office & Computer Equip.	281.3	302.5	310.5	318.8	305.6	295.3	287.3	299.9	328.8	332.2	339.8	359.6
% Ch	16.4%	33.7%	11.0%	11.2%	-15.6%	-12.8%	-10.4%	18.7%	44.6%	4.2%	9.4%	25.5%
Electrical Machinery	265.6	289.0	306.6	318.5	313.3	299.3	287.8	284.0	279.5	284.7	287.1	287.4
% Ch	44.2%	40.1%	26.7%	16.5%	-6.4%	-16.7%	-14.6%	-5.2%	-6.1%	7.7%	3.3%	0.4%
Electronic Components	528.6	604.9	665.4	711.5	711.4	681.4	665.0	686.8	695.9	742.7	791.9	817.7
% Ch	72.2%	71.5%	46.4%	30.7%	0.0%	-15.8%	-9.3%	13.7%	5.4%	29.7%	29.3%	13.7%
Food	107.2	107.9	107.9	107.0	106.2	106.4	106.1	105.9	107.0	106.9	106.6	106.0
% Ch	-0.1%	2.5%	0.0%	-3.5%	-2.8%	0.7%	-1.0%	-0.8%	4.1%	0.0%	-1.4%	-2.0%
Paper	104.6	104.2	100.9	100.8	98.9	97.5	97.5	95.0	93.6	96.2	97.7	98.1
% Ch	-1.4%	-1.6%	-12.2%	-0.5%	-7.2%	-5.6%	0.2%	-9.9%	-5.7%	11.2%	6.4%	1.8%
Agricultural Chemicals	93.1	92.7	88.8	90.2	86.3	81.7	81.2	84.5	80.3	80.7	81.0	79.8
% Ch	0.8%	-1.8%	-15.7%	6.4%	-16.2%	-19.6%	-2.5%	17.5%	-18.6%	2.0%	1.6%	-5.9%
Metals & Minerals Mining	108.4	105.8	104.9	102.9	103.9	103.9	102.7	102.0	98.5	99.8	101.1	99.1
% Ch	10.7%	-9.2%	-3.4%	-7.6%	4.1%	-0.1%	-4.7%	-2.5%	-12.9%	5.4%	5.0%	-7.5%

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

APRIL 2003

MISCELLANEOUS

	2003				2004				2005			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS												
Idaho (Millions)	1,445.2	1,474.3	1,499.6	1,533.0	1,554.2	1,572.3	1,590.2	1,608.0	1,626.1	1,644.4	1,663.3	1,683.0
% Ch	11.3%	8.3%	7.0%	9.2%	5.6%	4.8%	4.6%	4.6%	4.6%	4.6%	4.7%	4.8%
National (Billions)	324.7	331.5	337.3	345.0	349.9	354.2	358.3	362.4	366.7	370.9	375.2	379.7
% Ch	11.8%	8.5%	7.2%	9.5%	5.8%	4.9%	4.7%	4.7%	4.7%	4.7%	4.8%	4.9%
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	111.6	112.2	112.9	113.3	113.8	114.3	114.8	115.4	116.0	116.6	117.1	117.7
% Ch	1.5%	2.0%	2.4%	1.5%	1.9%	1.7%	1.9%	2.0%	2.2%	2.0%	2.0%	1.9%
Consumption Expenditures	112.5	113.2	113.5	113.8	114.2	114.6	115.2	115.8	116.4	117.0	117.6	118.2
% Ch	2.5%	2.3%	1.1%	1.1%	1.6%	1.4%	2.0%	2.2%	2.0%	2.0%	2.1%	2.1%
Durable Goods	85.7	85.4	85.1	84.9	84.7	84.7	84.6	84.5	84.5	84.4	84.3	84.3
% Ch	-3.4%	-1.6%	-1.2%	-1.1%	-0.6%	-0.4%	-0.3%	-0.2%	-0.3%	-0.3%	-0.4%	-0.4%
Nondurable Goods	111.4	112.1	111.8	111.6	111.8	111.8	112.3	112.9	113.3	113.7	114.2	114.6
% Ch	4.1%	2.7%	-1.1%	-0.6%	0.5%	0.1%	1.7%	2.3%	1.5%	1.4%	1.7%	1.5%
Services	119.5	120.4	121.2	121.9	122.6	123.4	124.2	125.0	125.8	126.6	127.5	128.4
% Ch	2.9%	2.9%	2.6%	2.4%	2.5%	2.4%	2.6%	2.7%	2.7%	2.6%	2.7%	2.8%
Cons. Price Index (1982-84)	182.7	183.9	184.5	185.1	185.8	186.5	187.5	188.5	189.5	190.4	191.5	192.5
% Ch	2.9%	2.6%	1.4%	1.3%	1.6%	1.5%	2.0%	2.2%	2.1%	2.0%	2.2%	2.1%
SELECTED INTEREST RATES												
Federal Funds	1.25%	1.25%	1.34%	1.99%	2.46%	2.87%	3.37%	3.55%	3.92%	4.00%	4.29%	4.50%
Prime	4.25%	4.25%	4.34%	4.99%	5.46%	5.87%	6.37%	6.55%	6.92%	7.00%	7.29%	7.50%
Existing Home Mortgage	6.08%	6.16%	6.13%	6.15%	6.56%	6.80%	7.10%	7.47%	7.61%	7.75%	7.76%	7.76%
U.S. Govt. 3-Month Bills	1.19%	1.15%	1.20%	1.84%	2.30%	2.67%	3.13%	3.29%	3.61%	3.68%	3.94%	4.13%
SELECTED US PRODUCTION INDICES												
Lumber & Wood Products	94.0	93.9	93.6	93.2	92.8	92.4	92.0	91.6	91.6	91.4	91.2	90.9
% Ch	-1.3%	-0.5%	-1.0%	-1.6%	-1.7%	-1.7%	-1.8%	-1.9%	0.0%	-0.7%	-1.1%	-0.9%
Office & Computer Equip.	384.0	410.0	440.3	478.3	517.8	559.1	600.7	639.7	672.6	698.0	718.1	736.7
% Ch	30.0%	30.0%	33.0%	39.2%	37.4%	35.9%	33.3%	28.6%	22.2%	16.0%	12.0%	10.8%
Electrical Machinery	291.5	302.2	319.1	339.8	365.2	395.8	428.1	461.0	495.3	521.1	539.1	554.4
% Ch	5.9%	15.6%	24.2%	28.6%	33.4%	38.0%	36.8%	34.5%	33.2%	22.5%	14.6%	11.9%
Electronic Components	835.5	874.5	933.7	1,006.5	1,094.8	1,201.4	1,313.7	1,429.0	1,550.0	1,642.5	1,708.8	1,767.1
% Ch	9.0%	20.0%	30.0%	35.0%	40.0%	45.0%	43.0%	40.0%	38.4%	26.1%	17.2%	14.4%
Food	106.0	106.7	108.6	109.5	110.5	111.4	112.2	113.0	113.8	114.4	115.1	115.7
% Ch	0.1%	2.4%	7.5%	3.4%	3.6%	3.3%	3.0%	2.9%	2.6%	2.4%	2.2%	2.0%
Paper	98.1	98.5	99.1	100.0	101.1	102.4	103.5	104.5	105.5	106.3	106.9	107.2
% Ch	0.1%	1.4%	2.7%	3.6%	4.5%	5.1%	4.3%	4.0%	3.8%	3.1%	2.2%	1.5%
Agricultural Chemicals	79.9	80.1	80.2	80.7	81.4	82.1	82.8	83.4	84.0	84.5	85.0	85.3
% Ch	0.6%	0.7%	0.9%	2.4%	3.5%	3.4%	3.3%	3.1%	3.0%	2.5%	2.0%	1.5%
Metals & Minerals Mining	98.8	99.1	98.4	98.6	99.3	100.0	100.7	101.6	102.6	103.6	104.5	105.4
% Ch	-1.3%	1.1%	-2.8%	0.9%	2.7%	2.7%	3.2%	3.3%	4.0%	3.9%	3.8%	3.4%

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THE GLOBAL INSIGHT U.S. MACROECONOMIC MODEL

Global Insight's Macroeconomic Model is a multiple-equation model of the U.S. economy. Consisting of over 1,200 equations, the model is solved iteratively to generate the results of different policy and forecast scenarios. The model incorporates the best insights of many theoretical schools of thought to depict the economic decision processes and interactions of households, businesses, and governments.

The Global Insight model is divided into the following eight major sectors:

- I Private Domestic Spending**
- II Production and Income**
- III Taxes**
- IV International Transactions**
- V Financial**
- VI Inflation**
- VII Supply**
- VIII Expectations**

- I. **Private Domestic Spending.** Major aggregate demand components include consumption, investment, and government. Consumer purchases are divided among three categories: durable goods, nondurable goods, and services. In nearly all cases, real expenditures are influenced by real income and the relative price of consumer goods. Durable and semidurable goods are also sensitive to household net worth, current finance costs, and consumer sentiment.

Global Insight divides investment into two general categories: fixed investment and inventories. The former is driven by utilization rates, capital stock, relative prices, financial market conditions, financial balance sheet conditions, and government policies. Inventory investment is heavily influenced by such factors as past and present sales levels, vendor performance, and utilization rates.

The government sector is divided into federal government and state and local government. Most of the federal expenditure side is exogenous. Federal receipts are endogenous and divided into personal taxes, corporate taxes, indirect business taxes, and contributions for social insurance. State and local sector receipts depend primarily on federal grants and various tax rates and bases. State and local government spending is driven by legal requirements (i.e., balanced budgets), the level of federal grants (due to the matching requirements of many programs), population growth, and trend increases in personal income.

- II. **Production and Income.** The industrial production sector includes 74 standard industrial classifications. Production is a function of various cyclical and trend variables and a generated output term, i.e., the input-output (I-O) relationship between the producing industry and both intermediate industries and final demand. The cyclical and trend variables correct for changes in I-O coefficients that are implied by the changing relationship between buyers and sellers.

Pre-tax income categories include private and government wages, corporate profits, interest rate, and entrepreneurial returns. Each of these categories, except corporate profits, is determined by some combination of wages, prices, interest rates, debt levels, capacity utilization rate, and unemployment rate. Corporate profits are calculated as the residual of total national income less the non-profit components of income mentioned above.

- III. **Taxes.** The model tracks personal, corporate, payroll, and excise taxes separately. Tax revenues are simultaneously forecast as the product of the rate and the associated pre-tax income components. The model automatically adjusts the effective average personal tax rate for variations in inflation and income per household, and the effective average corporate rate for credits earned on equipment, utility structures, and R&D. State taxes are fully endogenous, except for corporate profits and social insurance tax rates.
- IV. **International.** The international sector can either add or divert strength from the central flow of domestic income and spending. Imports' ability to capture varying shares of domestic demand depends on the prices of foreign output, the U.S. exchange rate, and competing domestic prices. Exports' portion of domestic spending depends on similar variables and the level of world gross domestic product. The exchange rate itself responds to international differences in inflation, interest rates, trade deficits, and capital flows between the U.S. and its competitors. Investment income flows are also explicitly modeled.
- V. **Financial.** The Global Insight model includes a highly detailed financial sector. Several short- and long-term interest rates are covered in this model, and they are the key output of this sector. The short-term rates depend upon the balance between the demand and supply of reserves in the banking system. The supply of reserves is the primary exogenous monetary policy lever within the model, reflecting the Federal Reserve's open market purchases or sales of Treasury securities. Longer-term interest rates are driven by shorter-term rates as well as factors affecting the slope of the yield curve. These factors include inflation expectations, government borrowing requirements, and corporate finance needs.
- VI. **Inflation.** Inflation is modeled as a controlled, interactive process involving wages, prices, and market conditions. The principal domestic cost influences are labor compensation, nonfarm productivity, and foreign input costs that later are driven by the exchange rate, the price of oil, and foreign wholesale price inflation. This set of cost influences drives each of the industry-specific producer price indexes, in combination with a demand pressure indicator and appropriately weighted composites of the other producer price indexes.
- VII. **Supply.** In this model, aggregate supply (or potential GNP), is estimated by a Cobb-Douglas production function that combines factor input growth and improvements to total factor productivity. Factor input equals a weighted average of labor, business fixed capital, and energy. Factor supplies are defined by estimates of the full employment labor force, the full employment capital stock net of pollution abatement equipment, the domestic production of petroleum and natural gas, and the stock of infrastructure. Total factor productivity depends upon the stock of research and development capital and trend technological change.
- VIII. **Expectations.** Expectations impact several expenditure categories in the model, but the principal nuance relates to the entire spectrum of interest rates. Shifts in price expectations or the expected government capital needs influences are captured directly in this model through price expectations and budget deficit terms. The former impacts all interest rates and the latter impacts intermediate- and long-term rates. On the expenditure side, inflationary expectations impact consumption via consumer sentiment, while growth expectations affect business investment.

THE IDAHO ECONOMIC MODEL

The Idaho Economic Model (IEM) is an income and employment based model of Idaho's economy. The Model consists of a simultaneous system of linear regression equations, which are estimated using quarterly data. The primary exogenous variables are obtained from the Global Insight U.S. Macroeconomic Model. Endogenous variables are forecast at the statewide level of aggregation.

The focal point of the IEM is Idaho personal income, which is given by the identity:

$$\begin{aligned} \text{personal income} = & \text{wage and salary payments} + \text{other labor} \\ & \text{income} + \text{farm proprietors' income} + \text{nonfarm proprietors'} \\ & \text{income} + \text{property income} + \text{transfer payments} - \text{contributions} \\ & \text{for social insurance} + \text{residence adjustment.} \end{aligned}$$

With the exception of farm proprietors' income and wage and salary payments, each of the components of personal income is estimated stochastically by a single equation. Farm proprietors' income and wage and salary payments each comprise submodels containing a system of stochastic equations and identities.

The farm proprietor sector is estimated using a highly aggregated submodel consisting of equations for crop marketing receipts, livestock marketing receipts, production expenses, inventory changes, imputed rent income, corporate farm income, and government payments to farmers. Farm proprietors' income includes inventory changes and imputed rent, but this component is netted out of the tax base.

At the heart of the IEM is the wage and salary sector, which includes stochastic employment equations for 18 Standard Industrial Classification (SIC) employment categories. Conceptually, the employment equations are divided into basic and domestic activities. The basic employment equations are specified primarily as functions of national demand and supply variables. Domestic employment equations are specified primarily as functions of state-specific demand variables. Average annual wages are estimated for several broad employment categories and are combined with employment to arrive at aggregate wage and salary payments.

The demographic component of the model is used to forecast components of population change and housing starts. Resident population, births, and deaths are modeled stochastically. Net migration is calculated residually from the estimates for those variables. Housing starts are divided into single and multiple units. Each equation is functionally related to economic and population variables.

The output of the IEM (i.e., the forecast values of the endogenous variables) is determined by the parameters of the equations and the values of exogenous variables over the forecast period. The values of equation parameters are determined by the historic values of both the exogenous and endogenous variables. IEM equation parameters are estimated using the technique of ordinary least squares. Model equations are occasionally respecified in response to the dynamic nature of the Idaho and national economies. Parameter values for a particular equation (given the same specification) may change as a result of revisions in the historic data or a change in the time interval of the estimation. In general, parameter values should remain relatively constant over time, with changes reflecting changing structural relationships.

While the equation parameters are determined by structural relationships and remain relatively fixed, the forecast period exogenous variable values are more volatile determinants of the forecast values of

endogenous variables. They are more often subject to change as expectations regarding future economic behavior change, and they are more likely to give rise to debate over appropriate values. As mentioned above, the forecast period values of exogenous variables are primarily obtained from Global Insight's U.S. Macroeconomic Model.

Since the output of the IEM depends in large part upon the output of the Global Insight model, an understanding of the Global Insight model, its input assumptions, and its output is useful in evaluating the results of the IEM's forecast. The assumptions and output of the Global Insight model are discussed in the National Forecast section.

IDAHO ECONOMIC MODEL

ID0AHEMF	$ID0AHEMF = 2.639 + 8.154 * (ID0NEWMFD \setminus 1 / ID0NEWMF \setminus 1 * JRWSSNF) + 9.891 * (ID0NEWMFN \setminus 1 / ID0NEWMF \setminus 1 * JRWSSNF)$
ID0AVGWS	$ID0AVGWS = ((ID0WBB\$ - ID0WBBF\$ - ID0WBBMIL\$) / ID0NEW) * 1000$
ID0CRCROP	$ID0CRCROP = -1.228 + 0.011 * CRCROP + 1.752 * WPI01$
ID0CRLVSTK	$ID0CRLVSTK = -0.793 + 0.033 * CRCATCVS + 1.086 * WPI01$
ID0EXFP	$ID0EXFP = -0.189 + 2.895 * WPI01$
ID0GIA\$	$ID0GIA\$ = 103.825 + 903.635 * (VAIDGF_SL * ID0NPT / N)$
ID0HSPR	$ID0HSPR = ID0HSPRS1_A + ID0HSPRS2A_A$
ID0HSPRS1_A	$ID0HSPRS1_A = -12.500 - 0.343 * (RMMTGENS - MOVAV(RMMTGENS \setminus 1, 4)) + 94.482 * (MOVAV(ID0NPT \setminus 1, 4) - MOVAV(ID0NPT \setminus 5, 4)) + 0.048 * ID0KHU \setminus 1$
ID0HSPRS2A_A	$ID0HSPRS2A_A = 5.498 + 38.806 * (MOVAV(ID0NPT \setminus 1, 4) - MOVAV(ID0NPT \setminus 5, 4)) - 0.216 * (MOVAV(RMMTGENS, 4)) - 0.016 * TIME$
ID0IPMFDNEC	$ID0IPMFDNEC = 13.0 * JQIND25 * 100 / 81.2 + 52.5 * JQIND37 * 100 / 81.2 + 15.7 * JQIND39 * 100 / 81.2$
ID0IP26_27	$ID0IP26_27 = 252.3 * JQIND26 * 100 / 498.1 + 245.8 * JQIND27 * 100 / 498.1$
ID0IP32_34	$ID0IP32_34 = 58.8 * JQIND32 * 100 / 206.9 + 148.1 * JQIND34 * 100 / 206.9$
ID0KHU	$ID0KHU = ID0KHU1 + ID0KHU2A$
ID0KHU1	$ID0KHU1 = ((1 - 0.003) ** .25) * ID0KHU1 \setminus 1 + ID0HSPRS1_A / 4$
ID0KHU2A	$ID0KHU2A = ((1 - 0.003) ** .25) * ID0KHU2A \setminus 1 + ID0HSPRS2A_A / 4$
ID0NB	$ID0NB = 5.750 + 35.707 * ID0NPT - 0.150 * TIME$
ID0ND	$ID0ND = -0.168 + 5.642 * ID0NPT + 0.009 * TIME$
ID0NEW	$ID0NEW = ID0NEWMF + ID0NEWNM$
ID0NEWCC	$ID0NEWCC = -13.553 + 0.144 * TIME - 0.069 * ID0HSPRS1_A + 0.133 * ID0HSPRS1_A \setminus 1 + 0.196 * ID0HSPRS1_A \setminus 2 + 0.260 * ID0HSPRS1_A \setminus 3 + 0.323 * ID0HSPRS1_A \setminus 4 + 0.387 * ID0HSPRS1_A \setminus 5 + 0.450 * ID0HSPRS1_A \setminus 6$
ID0NEWFIR	$ID0NEWFIR = -0.506 + 0.135 * (MOVAV(ID0HSPR, 2)) + 23.736 * ID0NPT - 4.369 * DUM861ON - 3.743 * DUM981ON$
ID0NEWGOOD	$ID0NEWGOOD = ID0NEWMF + ID0NEWMG + ID0NEWCC$

ID0NEWGV	$ID0NEWGV = ID0NEWGVF + ID0NEWGVSL$
ID0NEWGVF	$ID0NEWGVF = 0.793 + 745.734 * (EGF * (ID0NPT / N)) + 1.815 * (EGF * (GFO96C / GF96C)) + 0.008 * TIME$
ID0NEWGVSL	$ID0NEWGVSL = ID0NEWGVSLED + ID0NEWGVSL_ED$
ID0NEWGVSL_ED	$ID0NEWGVSL_ED = -17.295 + 26.366 * ID0NPT + 0.120 * TIME$
ID0NEWGVSLED	$ID0NEWGVSLED = -13.977 + 81.138 * (ID0NPT * ((N - N16A) / N)) + 0.320 * (MOVAV(ID0YPTXB \ 4, 4)) + 0.156 * TIME$
ID0NEWMF	$ID0NEWMF = ID0NEWMFD + ID0NEWMFN$
ID0NEWMFD	$ID0NEWMFD = ID0NEW24 + ID0NEW32_34 + ID0NEW35_36 + ID0NEWMFDNEC$
ID0NEWMFDNEC	$ID0NEWMFDNEC = -2.091 + 0.068 * ID0IPMFDNEC$
ID0NEWMFN	$ID0NEWMFN = ID0NEW20 + ID0NEW26_27 + ID0NEW28 + ID0NEWMFNNEC$
ID0NEWMFNNEC	$ID0NEWMFNNEC = 0.922 + 0.002 * (CNCS96C + CNOTH96C) - 0.057 * DUM87ON$
ID0NEWMG	$ID0NEWMG = ID0NEWMG_10 + ID0NEW10$
ID0NEWMG_10	$ID0NEWMG_10 = 2.074 - 1.024 * (MOVAV(JQIND287, 2)) + 0.032 * ID0HSPR + 0.012 * (JQIND333_9 * TIME) - 0.449 * (JQIND33 / EMI) - 0.616 * (JRWSSNF / WPI10) - 0.007 * TIME$
ID0NEWNGOOD	$ID0NEWNGOOD = ID0NEWNM - ID0NEWMG - ID0NEWCC$
ID0NEWNM	$ID0NEWNM = ID0NEWCC + ID0NEWFIR + ID0NEWGV + ID0NEWSV + ID0NEWTCU + ID0NEWWR + ID0NEWMG$
ID0NEWSV	$ID0NEWSV = -34.007 + 6.249 * (MOVAV(YPADJ_ID, 3) / MOVAV(PCWC, 3))$
ID0NEWTCU	$ID0NEWTCU = -10.420 + 0.089 * ID0KHU \ 1$
ID0NEWWR	$ID0NEWWR = 13.400 + 4.499 * (MOVAV(YPADJ_ID, 3) / MOVAV(PCWC, 3))$
ID0NEW10	$ID0NEW10 = 1.399 + 3.839 * JQIND333_9 - 0.802 * (JQIND33 / EMI) - 2.598 * (JRWSSNF / WPI10)$
ID0NEW20	$ID0NEW20 = ID0NEW20_203 + ID0NEW203$
ID0NEW20_203	$ID0NEW20_203 = -4.274 + 10.947 * JQIND20$
ID0NEW203	$ID0NEW203 = 13.163 + 9.715 * JQIND201_7A9 - 0.060 * (JQIND201_7A9 * TIME)$
ID0NEW24	$ID0NEW24 = 18.413 + 8.879 * (MOVAV(JQIND24, 2)) - 13.666 * (JRWSSNF / WPI08) - 0.143 * DUM821ON - 0.021 * TIME$
ID0NEW26_27	$ID0NEW26_27 = -2.135 + 0.091 * (MOVAV(ID0IP26_27 \ 1, 4))$

ID0NEW28	$ID0NEW28 = -0.621 + 2.027 * (MOVAV(JQIND28 \setminus 1, 2)) + 0.898 * DUM841ON - 1.921 * DUM951ON + 0.010 * TIME$
ID0NEW32_34	$ID0NEW32_34 = -1.258 + 0.025 * (MOVAV(ID0IP32_34, 2)) - 1.389 * (JQIND34/E34) + 0.054 * (ID0NEW20 \setminus 1 + ID0NEW24 \setminus 1 + ID0NEWMG \setminus 1 + ID0NEWCC \setminus 1 + ID0NEW26_27 \setminus 1)$
ID0NEW35	$ID0NEW35 = -7.392 - 0.440 * JQIND357 - 1.524 * DUM861884 + 0.087 * TIME$
ID0NEW35_36	$ID0NEW35_36 = ID0NEW35 + ID0NEW36$
ID0NEW36	$ID0NEW36 = -15.813 + 0.413 * JQIND367 - 0.439 * DUM801884 + 0.125 * TIME$
ID0NMG	$ID0NMG = 4 * (ID0NPT - ID0NPT \setminus 1) - (ID0NB - ID0ND) / 1000$
ID0NPT	$ID0NPT = -0.088 + 1.007 * ID0NPT \setminus 1 + 0.084 * ((ID0NEW \setminus 1 / ID0NEW \setminus 5) / (EEA \setminus 1 / EEA \setminus 5))$
ID0WBB\$	$ID0WBB\$ = ID0WBBMF\$ + ID0WBBOTH\$ + ID0WBBCC\$ + ID0WBBF\$ + ID0WBBMIL\$$
ID0WBBCC\$	$ID0WBBCC\$ = (ID0WRWCC\$ * ID0NEWCC) / 1000000$
ID0WBBF\$	$ID0WBBF\$ = -0.516 + 0.616 * WPI02$
ID0WBBMF\$	$ID0WBBMF\$ = (ID0WRWMF\$ * ID0NEWMF) / 1000000$
ID0WBBMIL\$	$ID0WBBMIL\$ = 0.008 + 0.289 * ((ID0NPT/N) * GFMLWSS_FAC)$
ID0WBBOTH\$	$ID0WBBOTH\$ = ID0WRWOTH\$ * (ID0NEW - ID0NEWCC - ID0NEWMF) / 1000000$
ID0WRWCC\$	$ID0WRWCC\$ = 8312.166 + 1568.624 * ID0AHEMF$
ID0WRWMF\$	$ID0WRWMF\$ = -11654.550 + 3523.012 * ID0AHEMF$
ID0WRWOTH\$	$ID0WRWOTH\$ = -3535.814 + 2054.997 * ID0AHEMF$
ID0YDIR\$	$ID0YDIR\$ = 0.007 + 1.014 * ((YINTPER + DIV + YRENTADJ) * MOVAV(ID0YPS \setminus 1, 4) / MOVAV(YP \setminus 1, 4))$
ID0YFC\$	$ID0YFC\$ = -0.059 + 0.917 * ID0YFC\$ \setminus 1 + 0.065 * WPI01$
ID0YINV_R\$	$ID0YINV_R\$ = -0.065 + 0.817 * ID0YINV_R\$ \setminus 1 + 0.105 * WPI01$
ID0YP	$ID0YP = ID0YP\$ / PCWC$
ID0YP\$	$ID0YP\$ = ID0WBB\$ + ID0YSUP\$ + ID0YDIR\$ + ID0YPRNF\$ + ID0YPRF\$ + ID0YTR\$ + ID0YRA\$ - ID0YSIS$
ID0YPNF	$ID0YPNF = ID0YPNF\$ / PCWC$
ID0YPNF\$	$ID0YPNF\$ = ID0YP\$ - ID0YPRF\$ - ID0WBBF\$$

ID0YPNFPC	$ID0YPNFPC = ID0YPNF\$ / PCWC / ID0NPT$
ID0YPRF\$	$ID0YPRF\$ = 0.320 + 339.737 * ((ID0CRCROP + ID0CRLVSTK + ID0YTRF\$ + ID0YINV_R\$ - ID0YFC\$ - ID0EXFP) / 1000)$
ID0YPRNF\$	$ID0YPRNF\$ = - 0.026 + 0.005 * YENTNFADJ$
ID0YPTXB	$ID0YPTXB = (ID0WBB\$ + ID0YPRNF\$ + ID0YDIR\$ + (ID0YPRF\$ - ID0YINV_R\$ / 1000)) / PCWC$
ID0YRAS	$ID0YRAS = - 0.106 + 0.032 * ID0WBB\$$
ID0YSIS	$ID0YSIS = 0.017 + 1.028 * (TWPER * ID0WBB\$ / WSD)$
ID0YSUP\$	$ID0YSUP\$ = - 0.073 + 1.073 * (YOL * (ID0WBB\$ / WSD))$
ID0YTR\$	$ID0YTR\$ = 0.062 + 0.804 * ((VGF_PER + VGSL_PER) * (ID0NPT / N))$
ID0YTRF\$	$ID0YTRF\$ = 0.028 + 0.011 * TRF\$$
YPADJ_ID	$YPADJ_ID = ID0YPNF\$ + MOVAV(ID0YPRF\$, 4) + MOVAV(ID0WBBF\$, 4)$

ENDOGENOUS VARIABLES

ID0AHEMF	Average hourly earnings in manufacturing
ID0AVGW\$	Average annual wage
ID0CRCROP	Cash receipts, crops, not seasonally adjusted
ID0CRLVSTK	Cash receipts, livestock, not seasonally adjusted
ID0EXFP	Farm production expenses
ID0GIA\$	Federal grants-in-aid to Idaho governments
ID0HSPR	Housing starts, total
ID0HSPRS1_A	Adjusted housing starts, single units
ID0HSPRS2A_A	Adjusted housing starts, multiple units
ID0IP26_27	Industrial production index, paper, printing, and publishing, 1996=1.0
ID0IP32_34	Industrial production index, stone, clay, glass, and concrete products and fabricated metals, 1996=1.0
ID0IPMFDNEC	Industrial production index, other durable manufacturing, 1996=1.0
ID0KHU	Housing stock, total
ID0KHU1	Housing stock, single units
ID0KHU2A	Housing stock, multiple units
ID0NB	Number of births
ID0ND	Number of deaths
ID0NEW	Employment on nonagricultural payrolls, total
ID0NEW10	Employment in metal mining
ID0NEW20	Employment in food processing
ID0NEW20_203	Employment in food processing, except canned, cured, and frozen
ID0NEW203	Employment in food processing, canned, cured, and frozen
ID0NEW24	Employment in lumber and wood products
ID0NEW26_27	Employment in paper, printing, and publishing
ID0NEW28	Employment in chemicals and allied products
ID0NEW32_34	Employment in stone, clay, glass, and concrete products and fabricated metals
ID0NEW35	Employment in nonelectrical machinery
ID0NEW35_36	Employment in machinery
ID0NEW36	Employment in electrical machinery
ID0NEWCC	Employment in construction
ID0NEWFIR	Employment in finance, insurance, and real estate
ID0NEWGOOD	Employment in goods-producing sectors
ID0NEWGV	Employment in government
ID0NEWGVF	Employment in federal government
ID0NEWGVSL	Employment in state and local government
ID0NEWGVSL_ED	Employment in state and local government, except education
ID0NEWGVSLLED	Employment in state and local government, education
ID0NEWMF	Employment in manufacturing
ID0NEWMFD	Employment in durable manufacturing
ID0NEWMFDNEC	Employment in other durable manufacturing
ID0NEWMFN	Employment in nondurable manufacturing
ID0NEWMFNNEC	Employment in other nondurable manufacturing
ID0NEWMG	Employment in mining
ID0NEWMG_10	Employment in mining, except metal mining

ID0NEWNGOOD	Employment in service-producing sectors
ID0NEWNM	Employment in nonmanufacturing
ID0NEWSV	Employment in services
ID0NEWTCU	Employment in communications, transportation, and public utilities
ID0NEWWR	Employment in trade
ID0NMG	Net in-migration of persons
ID0NPT	Resident population
ID0WBB\$	Wage and salary disbursements
ID0WBBCC\$	Wage and salary disbursements, construction
ID0WBBF\$	Wage and salary disbursements, farm
ID0WBBMF\$	Wage and salary disbursements, manufacturing
ID0WBBMIL\$	Wage and salary disbursements, military
ID0WBBOTH\$	Wage and salary disbursements, except farm, manufacturing, and construction
ID0WRWCC\$	Average annual wage, construction
ID0WRWMF\$	Average annual wage, manufacturing
ID0WRWOTH\$	Average annual wage, except manufacturing, construction, and farm
ID0YDIR\$	Dividend, interest, and rent income
ID0YFC\$	Corporate farm income
ID0YINV_RS	Farm inventory value changes, imputed rent, and income
ID0YP	Total personal income, 1996 dollars
ID0YP\$	Total personal income
ID0YPNF	Nonfarm personal income, 1996 dollars
ID0YPNF\$	Nonfarm personal income
ID0YPNFPC	Per capita nonfarm income, 1996 dollars
ID0YPRF\$	Net farm proprietors' income
ID0YPRNF\$	Nonfarm proprietors' income
ID0YPTXB	Tax base, 1996 dollars
ID0YRA\$	Residence adjustment, personal income
ID0YSI\$	Contributions for social insurance
ID0YSUP\$	Other labor income
ID0YTR\$	Transfer payments to persons
ID0YTRF\$	Government payments to Idaho farmers
YPADJ_ID	Adjusted total personal income

EXOGENOUS VARIABLES

CNCS96C	Personal consumption expenditures, clothing and shoes, 1996 dollars, chain weighted
CNFOOD96C	Personal consumption expenditures, food, 1996 dollars, chain weighted
CNOTH96C	Personal consumption expenditures, other nondurable goods, 1996 dollars, chain weighted
CRCATCVS	Cash receipts, U.S. cattle and calves
CRCROP	Cash receipts, U.S. crops
DIV	Dividends
DUM801884	These are dummy variables used in regression equations for the purpose of capturing the impacts of discrete economic or non-economic event such as SIC code changes, strikes, plant opening, or closures, unusual weather conditions, etc.
DUM821ON	
DUM841ON	
DUM861ON	
DUM861884	
DUM871ON	
DUM951ON	
DUM981ON	
TIME	
E20	Employment in food processing
E24	Employment in lumber and wood products
E26	Employment in paper and paper products
E27	Employment in printing and publishing
E28	Employment in chemicals
E32	Employment in stone, clay, and glass
E34	Employment in fabricated metals
E35	Employment in nonelectrical machinery
E36	Employment in electrical machinery
EEA	Total nonagricultural employment
EGF	Employment in federal government
EMD	Employment in durable manufacturing
EMI	Employment in mining
EMN	Employment in nondurable manufacturing
GFMLWSS_FAC	Federal government defense personnel outlays
GF96C	Federal government purchases, 1996 dollars, chain weighted
GFO96C	Federal government purchases, non-defense, 1996 dollars, chain weighted
JQIND20	Industrial production index, food products, 1996=1.0
JQIND201_7A9	Industrial production index, food except beverages, 1996=1.0
JQIND24	Industrial production index, wood and lumber products, 1996=1.0
JQIND25	Industrial production index, furniture and fixtures, 1996=1.0
JQIND26	Industrial production index, paper and paper products, 1996=1.0
JQIND27	Industrial production index, printing and publishing, 1996=1.0
JQIND287	Industrial production index, agricultural chemicals, 1996=1.0
JQIND32	Industrial production index, stone, clay, and glass products, 1996=1.0

JQIND33	Industrial production index, primary metals, 1996=1.0
JQIND333_9	Industrial production index, nonferrous metals, 1996=1.0
JQIND34	Industrial production index, fabricated metal products, 1996=1.0
JQIND357	Industrial production index, office and computing equipment, 1996=1.0
JQIND367	Industrial production index, electric components, 1996=1.0
JQIND37	Industrial production index, transportation equipment, 1996=1.0
JQIND39	Industrial production index, miscellaneous manufactures, 1996=1.0
JRWSSNF	Index of compensation per hour, nonfarm business sector, 1992=1.0
N	Population, U.S.
N16A	Population, U.S., aged 16 and older
PCWC	Implicit price deflator, personal consumption, 1996=1.0, chain weighted
RMMTGENS	Effective conventional mortgage rate, existing homes, combined lenders
TRF\$	Government payments to U.S. farms
TWPER	Personal contributions for social insurance, U.S.
VAIDGF_SL	Federal grants-in-aid to state and local governments
VGf_PER	Federal transfer payments to persons, U.S.
VGSL_PER	State and local transfer payments to persons, U.S.
WPI01	Producer price index, farm products, 1982=1.0
WPI02	Producer price index, processed foods and feeds, 1982=1.0
WPI08	Producer price index, lumber and wood products, 1982=1.0
WPI10	Producer price index, metals and metal products, 1982=1.0
WSD	Wage and salary disbursements
YENTNFADJ	Nonfarm proprietors' income (with inventory valuation and capital consumption adjustments)
YINTPER	Personal interest income
YOL	Other labor income, U.S.
YP	Personal income
YRENTADJ	Rental income of persons with capital consumption adjustment

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